Daily Report

East Europe

FBIS-EEU-96-042
Friday
1 March 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
East Europe

FBIS-EEU-96-042 *1 March 1996*

CONTENTS

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

ALBANIA

Albania: Socialists for NATO Membership, Close U.S. Ties *[KOHA JONE 28 Feb]* 1
Albania: Press Further Comments on 26 Feb Bombing *[GAZETA SHQIPTARE 29 Feb, etc.]* 1
Albania: PS: Bombing 'Unprecedented Terrorist Act' *[ATA]* 2
Albania: Assembly Deputies Condemn 'Ugly Terrorist Act' *[Tirana TV]* 3

BULGARIA

Bulgaria: Cabinet Adopts Arms Export Regulations *[Sofia Radio]* 4
Bulgaria: Polish Prime Minister on NATO, Other Issues *[24 CHASA 27 Feb]* 4

SLOVAKIA

Slovakia: President on EU, NATO, Privatization *[RZECZPOSPOLITA 27 Feb]* 6
Slovakia: Kovac Tells Primakov of Aim To Join EU, NATO *[Prague Radio]* 8
Slovakia: Primakov Urges Less Involvement With NATO *[Bratislava TV]* 8
Slovakia: Hungarian Party Against Closer Ties to Russia *[Bratislava Radio]* 9
Slovakia: Weekly Says Meciar Strong Despite 'Scandals' *[RESPEKT 26 Feb-3 Mar]* 9
Slovakia: Kanis on Possible SDL Entry Into Coalition *[PRAVDA 27 Feb]* 11
Slovakia: Ministry Invites Bids for Two GSM Licenses *[HOSPODARSKE NOVINY, etc.]* 12

HUNGARY

Hungary: President Appoints Medgyessy as Finance Minister *[Budapest Radio]* 14
Hungary: Israeli Firms Offer To Modernize Military Forces *[Budapest TV]* 14
Hungary: Russian Deputy Economics Minister on Debt Payment *[Budapest Radio]* 14
Hungary: Government Agrees To Send 35 Policemen to Bosnia *[Budapest Radio]* 14
Hungary: Progress in Romanian-Hungarian Expert Talks *[Budapest Radio]* 14

BOSNIA-HERZEGOVINA

B-H: Izetbegovic Greets Citizens on Independence Day *[Sarajevo Radio]* 15
B-H: Ganic, Adm. Smith Discuss Further Peace Efforts *[Sarajevo Radio]* 15
B-H: IFOR Praised, Bildt's Leadership Questioned *[NEDJELJNA DALMACIJA 1 Mar]* 15
B-H: Bildt Conducts Tour of North Following Criticism *[AFP]* 16
B-H: Commentary Examines IFOR Behavior, Relations *[NOVA BOSNA 23 Feb]* 17
B-H: British Soldier 'Victim of an Accident' *[AFP]* 19
B-H: Ganic, Komsic Receive Romanian's Melesanu *[Sarajevo Radio]* 19
B-H: Bosnian-Romanian Diplomatic Relations Established *[Sarajevo Radio]* 19
B-H: Koschnick Hopes 'New Face' Will End Mostar Strife *[AFP]* 19
B-H: Commentary on Problems in Croat-Muslim Federation *[Mostar Radio]* 20
B-H: Kapetanovic Promises Travnik Reconstruction Aid *[Sarajevo Radio]* 21
B-H: RS' Krajisnik Comments on Suspending Sanctions *[Banja Luka TV]* 21
B-H: No Change at FRY Borders Since Sanctions Lifted *[Banja Luka Radio]* 21
B-H: Commentary Views Suspension of Sanctions *[GLAS SRPSKI 28 Feb]* 22
B-H: Prospects for Arms Procurement After Embargo *[LJILJAN 24-31 Jan]* 23
B-H: Serbs Claim Izetbegovic Witnessed Torture in Camps *[Banja Luka TV]* 26

B-H: Serbs Held in Muslim Camps Testify Before Tribunal *[TANJUG]* 26
B-H: Djukic Charged With 'Crimes Against Humanity' *[AFP]* 27
B-H: Tribunal To Hold Krsmanovic Until 4 Apr *[AFP]* 27
B-H: Serb Officer Refuses To Cooperate With Tribunal *[TANJUG]* 27
B-H: Karadzic, AT&T Businessmen Meet in Pale *[Pale TV]* 27
B-H: RS Seeks Intervention To Protect Sarajevo Serbs *[SRNA]* 28
B-H: Blockade Ends as Ilijas-Visoko Road Opens *[Sarajevo Radio]* 28
B-H: Doboj Serbs Defer Talks on Croat-Bosniak Return *[Banja Luka TV]* 29
B-H: SRS Leader Urges Border Between 'Two States' *[SRNA]* 29
B-H: Hebib Guarantees Innocent Serbs' Safety in Ilijas *[Sarajevo TV]* 29
B-H: ICRC: 52 More Serb POW's Registered in Tuzla *[AFP]* 29
B-H: ICRC Delivers POW Letters From Tuzla to Doboj *[Banja Luka Radio]* 30
B-H: Sarajevo Serb Refugees Arrive in Eastern Bosnia *[TANJUG]* 30
B-H: Evacuation of Sarajevo Serbs To Continue *[SRNA]* 30
B-H: 'More Than 2,500' Sarajevo Serbs Enter Trebinje *[Banja Luka TV]* 31
B-H: Stolac Leadership Statement on Problems in Stolac *[Mostar Radio]* 31
B-H: OSCE Opens Office in Banja Luka *[AFP]* 32

CROATIA

Croatia: E. Slavonia Serbs Prepare for UNTAES Arrival *[Beli Manistir TV]* 33
Croatia: Granic on Romanian, European, NATO Ties *[Zagreb Radio]* 33
Croatia: Gen Cervenko Receives German Army Commander *[Zagreb Radio]* 33
Croatia: Striking Rail Workers Agree to Wage Increase *[AFP]* 34

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

FYROM: Assembly Chairman Reshuffle Procedure Viewed *[MIC]* 35
FYROM: Gray Economy Persists Despite State Actions *[NOVA MAKEDONIJA 29 Feb]* 35

POLAND

Poland: Russia's Primakov To Visit Warsaw 14-15 Mar *[SZTANDAR 29 Feb]* 37
Poland: Foreign Minister on Policies, Russia *[GAZETA WYBORCZA 28 Feb]* 37
Poland: Visegrad Group: Advantages to Joint EU Membership *[RYNKI ZAGRANICZNE 27 Jan]* 40
Poland: Deputy Prime Minister Pietrewicz Interviewed *[SZTANDAR 27 Feb]* 43
Poland: UOP Head Discusses Resignation *[Warsaw Radio]* 45
Poland: Newly Appointed Naval Commander Profiled *[POLSKA ZBROJNA 29 Feb]* 45
Poland: Former Jaruzelski Aide To Return to CBOS *[ZYCIE WARSZAWY 29 Feb]* 45
Poland: Draft Laws on Political Parties Presented in Sejm *[Warsaw TV]* 46
Poland: Polish-Czech Economic Relations Examined *[RYNKI ZAGRANICZNE 25 Jan]* 47
Poland: Foreign Investments in Privatization Noted *[RYNKI ZAGRANICZNE 20 Jan]* 47
Poland: Plan To Restructure Chemical Industry *[RZECZPOSPOLITA 9 Feb]* 48

ROMANIA

Romania: PSM Chooses Paunescu To Run for Presidency *[ZIUA 26 Feb]* 49
Romania: Bacanu Elected Civic Alliance President *[ZIUA 26 Feb]* 49

SLOVENIA

Slovenia: Commentary Examines Visit by UK's Rifkind *[DELO 22 Feb]* 51
Slovenia: France Continues To Support Efforts To Join EU *[Ljubljana Radio]* 51
Slovenia: Poll Shows Decline in Support for Government *[DNEVNIK 26 Feb]* 52

YUGOSLAVIA

Federal

FRY: Belgrade To 'Intensify Contacts' With EU Mission *[TANJUG]* 53

FRY: European Parliament To Finance Economic Recovery *[TANJUG]* 53
FRY: Yugoslav, Bosnian Serb Economists Discuss Ties *[TANJUG]* 53
FRY: Ukrainian Delegation Visit Confirms Good Relations *[TANJUG]* 54
FRY: Conditions Good for Further Cooperation With Ukraine *[TANJUG]* 54
FRY: Parliamentarians Meet Ukrainian Parliament Speaker *[TANJUG]* 54
FRY: Ukraine's Moroz Discusses Economics at Seminar *[Kiev UNIAN]* 55

Serbia

Serbia: Sarajevo, Mostar as 'Models' for Slavonia Serbs *[POLITIKA 29 Feb]* 55
Serbia: Commentary Notes IFOR's 'Blind Eye' in Sarajevo *[VECERNJE NOVOSTI 29 Feb]* . 56
Serbia: SPS Official Views Goals of Third Congress *[BORBA 28 Feb]* 57

Montenegro

Montenegro: Parliament Head Receives Ukrainian Counterpart *[TANJUG]* 59

Albania: Socialists for NATO Membership, Close U.S. Ties

AU2902215296 Tirana KOHA JONE in Albania 28 Feb 96 p 3

[Report by A. Bushati: "Socialists: Yes to the United States and NATO"]

[FBIS Translated Text] The major objective of the Socialist Party [PS] is the European-Atlantic integration of Albania. This was the keynote of yesterday's news conference about Socialist foreign policy, at which Pellumbi and Meta, deputy chairmen of the largest opposition party, reemphasized the PS' advocacy of the country's integration in Western organizations as soon as possible. The main points on which the Socialist leaders will base their future foreign policy were the PS' serious commitment to achieving an agreement of association with the EU, priority relations with neighboring countries such as Italy and Greece, a conception of the country's security policy within collective European and Atlantic security, and a settlement of the problem of Kosova according to the principle of self-determination, while respecting the principle of not changing borders.

Sources within the party claim that a harsher version of the statement, criticizing the government's foreign policy, remained in the desk drawer. Nevertheless, the declaration stressed the PS' commitment to Albania's fulfilling all the obligations of the organizations it has joined. The statement devoted a special place to the PS' commitment to achieving Albania's association with the EU. This step requires "raising the standards of democracy in Albania to European levels," and Socialist leaders believe that it can be achieved through more intensive relations with Italy and Greece, who, they say, have a major role to play in Albania's integration in the EU. The PS also expects to receive major support toward this goal from the European Socialists, whose general secretary Vallen [name as published] stated in ZERI I POPULLIT yesterday that, if left-wing forces win the next elections, the gates of Europe will be open. In the same interview, Francois Vallen said that if the European Parliament were to vote today for Albania's association, the European Socialist group, which is the largest, would vote against precisely because of the violations of the standards of democracy here. Pellumbi and Meta did not forget to reemphasize their party's commitment to continually improving political and military relations with the United States.

Even though the youngest PS chairman [Meta] did not wish to comment politically on the movement of the U.S. ambassador from Tirana, he expressed his trust in the intensification of relations with the United States.

The Socialist leaders also expressed a determined stand toward the European-Atlantic alliance. If the PS' number two previously said that the time had not come for full NATO membership, he yesterday reconfirmed his recent attitude, saying: "We have supported Partnership for Peace and are in favor of Albania's membership of NATO, committing ourselves to fulfilling all the obligations this involves." The PS has apparently decided to prominently wave the flag of NATO membership, as did almost all the former communists of the East before their ascent to power. This was also a message of the news conference: Nothing will change in foreign policy toward the United Sates and NATO if the Socialists come to power. This was also stressed in the statement by the party presidium. It seems that the PS's determination to meet all the obligations arising out of Albania's membership of international political and military organizations is a necessary preelectoral stance at a time when the PS is being hit by accusations of reverting to anti-Americanism.

Albania: Press Further Comments on 26 Feb Bombing

AU2902194896

[FBIS Report] The Albanian press on 29 February continues to cover the aftermath of the Tirana car bomb of 26 February. Tirana GAZETA SHQIPTARE in Albanian carries on page 3 a 400-word report by Mentor Kikia entitled "The Police Show the Terrorist's Face," which states: "An identikit picture of the man who planted the Tirana car bomb has now been established. Foreign forensic experts have assembled an approximate portrait of the terrorist, which has now been distributed to all police stations in Albania and to Interpol. Meanwhile, seven people are still in detention at Commissariat No. 3 in Tirana. Under the law, the detainees should have been sent to the Tirana court yesterday for a decision on what security measures are necessary for them. However, the courts have not received any request from the Procurator's Office over this issue, which is expected to be dealt with today."

Tirana KOHA JONE in Albanian carries a 900-word commentary by Frrok Cupi, entitled "Bomb Syndrome," which states: "Only a few hours after the incident, the highest echelons of the state broke the contract that links the government with the people. The government party and the president issued virtually identical statements. They made blanket condemnations of groups of people and mentioned the death penalty. The casualties were still breathing when the 'master of the house' came out, not with words of healing, but merely with stern statements. The former Sigurimi was accused, although it has not existed for five years, with the sad implication

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that the democratic government has been unable to rein in the former security service. This implicates powerful people who may be members of the government or Democratic Party leaders, but who used to work for the Sigurimi. The opposition was made to feel totally insecure under ill-defined accusations. According to the press, 500 people were taken to police stations. According to yesterday's RILINDJA DEMOKRATIKE, Berisha has said that Black Monday will never be repeated, a very dubious way of putting it." The article continues: "One of the European news agencies commented that 'this is the second bomb of this kind in Albania. The first was used by the regime in 1951 in order to eliminate its political opponents.' Remembering that this incident has occurred on the threshold of the election campaign, official politicians or other hotheads have bamboozled the public with one of the methods used to construct Islamic fundamentalist societies in which votes are won and given by bombs. The spiteful political struggle against the opposition, which is accused of the bombing, makes people wonder whether all politicians do not use disasters and their victims for political points, and whether perhaps the entire field of politics is like that. This strikes very seriously at the popular conception of the state and its morality."

Tirana RILINDJA DEMOKRATIKE in Albanian carries on page 1 a 300-word commentary by E. Drini entitled "KOHA JONE Predicts More Car Bombs," which states: "The day before yesterday, KOHA JONE predicted that there will be more car bombs in Albania. Besides displaying its cynicism over the morning's tragedy in the capital city in which four persons lost their lives and 26 were injured, this newspaper predicted that what happened on Monday is 'only the beginning.' Zamir Dule, a correspondent who has consistently trawled the gutters, coming up with crimes that have never even been committed before, has always, simply for a wad of bills and a bit of sensation, remained true to the line of portraying Albania as a country where violence and terror stalk the streets. This individual, with his background in the dictatorship's exercise of violence and his dubious links with the Sigurimi, can hardly contain his joy that the explosion of the car bomb in the capital has provided another interesting news item. He and his newspaper can hardly wait for the other bomb attacks they have predicted in their pages. This is what this man of crime concludes: 'The precedent has now been set, and we Albanians, as of yesterday morning, have begun to believe a terrible truth, that this is only the start of a bloody and fateful series.' How does this journalist and his bosses know this? This man issues threats for the future and sows panic, belaboring the public with talk of bombs in an attempt to blow to smithereens the trust in the structures of the state, the law, and the police. The public, readers, politicians, intellectuals, journalists, and the organs of the state now know perfectly well that such press terrorists as Zamir Dule paved the way for the Tirana car bomb, and even predicted it months ago."

Albania: PS: Bombing 'Unprecedented Terrorist Act'

AU2902161296 Tirana ATA in English 1330 GMT 28 Feb 96

[Report by Atlant Frasheri]

[FBIS Transcribed Text] Tirana, February 27 (ATA) — "We denounce the unprecedented terrorist act of February 26, 1996 and do resolutely support the government and its specialized structures to discover as soon as possible the organizers and executors of this massacre in order that they take the deserved legal punishment. We also convey to the bereaved families our most sincere condolences," said the two Socialist Party [PS] deputy chairmen, Servet Pellumbi and Ilir Meta, at the beginning of a news conference they had today in the PS headquarters.

The foreign policy was the main topic of a statement of the PS read out by Ilir Meta. It appreciated the agreements reached by the government in the bilateral cooperation with other countries and their further materialization. The statement also carried PS objections to this issue.

Pellumbi considered as very important the visit to Albania of the president of Greece, Stefanopoulos, and stressed the importance of the friendship and cooperation with Greece and Italy as neighbouring countries and EU members, and with Germany, France, Great Britain, as powerful partners of Albania in the EU.

The statement evaluates as important the relations between Albania and the U.S. for an acceleration of Albania's integration in the Euro-Atlantic organization, membership in the NATO, saying that "PS is committed to intensify these relations in the interest of the country." (The SP has before opposed the installation of U.S. bases in the territory of Albania.)

Regarding the issue of Kosova, after appreciating the role of President Rugova, the LDK [Democratic League of Kosova], and other forces, the PS said that "we value the fact that there is an increasing interest, especially by the U.S. and the EU, in a most correct solution to the Kosova question, as an indispensable condition for peace in the region. We support the idea of a dialogue between Prishtina and Belgrade in the presence of a third party." (The press wrote recently that a leader of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

this party has declared that the deployment of bombs in Serbian refugee camps in Kosova manifests "the end of the hope for a solution to the question through negotiations" and that "unfortunately this proves the lack of a rational policy followed by Rugova.")

Regarding accusations in the press for PS financing by Serbia, Pellumbi and Meta declared that "PS has not had any financing by Serbia and that it has been financed only by the government according to laws."

Pellumbi qualified as groundless reports of the Press Office of Pietro Zannoni for Serbia's financing for the PS.

Zannone has accused Pellumbi of an attempt to corruption with 100 million lira so that Zannone belie reports for Serbian financing and declare himself in support of the SP.

Albania: Assembly Deputies Condemn 'Ugly Terrorist Act'

AU2902211296 Tirana TVSH Television Network in Albanian 1900 GMT 29 Feb 96

[Report by Gezim Qinami]

[FBIS Translated Text] The criminal, terrorist, and barbarous act of 26 February, in which four people were killed and many others wounded, was the focus of today's parliamentary session.

Regarding this ugly act, Mr. Pjeter Arbnori, on behalf of the People's Assembly Presidency, read the following statement:

[Begin recording] Honorable deputies:

On 26 February, an ugly terrorist act occurred in the middle of Tirana. The dark forces, whose eyes were blinded by freedom, democracy, a market economy, and Albania's integration and progress in Europe, decided to perpetrate a massacre with the aim to create insecurity in our country.

Joining all Albanians everywhere, I urge parliament to condemn this hateful crime, express determination for and ensure the continuation of democracy in Albania, and voice our pain to all the afflicted families, physically and materially, as well as order the bodies of the ShIK [National Information Service], public order, and the Prosecutor's Office to work quickly and be clever, fair, and determined in discovering, investigating, and mercilessly punishing the culprits according to democratic law.

I invite the representatives of parliamentary groups to voice their opinion and condemn the ugly crime, terrorism, violence in general, and criminal apologists. [end recording]

[Qinami] Mr. Arbnori then invited the parliament to observe a minute of silence for victims Vera Dume, Muhamet and Haziz Koromani, and Vait Osmani, all martyrs of democracy.

On behalf of the parliamentary parties, Messrs. Ali Spahia of the Democratic Party, Skender Gjinushi of the Social Democratic Party, and Fehmi Abdiu of the Socialist Party then took the floor. After condemning this criminal and barbarous act, they expressed their support for the government regarding the measures taken to expeditiously discover the culprits.

Mr. Arbnori then invited Interior Minister Agron Musaraj to render the ministry report regarding this ugly event. Mr. Musaraj considers the incident a terrorist activity committed by elements of extremist circles suspected of carrying out criminal activity of this nature. He stressed that the police are performing all the necessary procedural and investigative actions, and they are working intensively to discover the culprits of this large crime that has shocked the public.

[Begin Musaraj recording] The Interior Ministry has set up a special group consisting of foreign experts in order to identify and discover this terrorist act, which is not an individual but a well-organized act in support of terrorism, mass killing, the disturbance of public order, the creation of insecurity among Albanians, and ignoring democracy in Albania.

Considering the work undertaken by the Interior Ministry's specialized group, based on other specialized groups of the Prosecutor's Office and the Intelligence Service, I think that we will achieve positive results. I would like to ask the public to support us and provide any information, as well as have a good understanding of the police actions in order to help seize the culprits. [end recording]

[Qinami] The proceedings then continued with the approval of the bill on an amendment to the Law on the System of Taxes in the Republic of Albania and the decree by President of the Republic Sali Berisha on the price of land for compensation effects.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bulgaria: Cabinet Adopts Arms Export Regulations

AU2902151096 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 29 Feb 96

[FBIS Translated Text] On the basis of a report by Prime Minister Zhan Videnov on 29 February, the Council of Ministers adopted regulations on applying the Bill on Control Over Foreign Trade With Weapons and Dual Use Products.

According to the regulations, which will take effect after its publication in DURZHAVEN VESTNIK, two bodies will be in charge of licensing foreign trade with arms: The Interdepartmental Council on Issues of the Military-Industrial Complex and the Country's Mobilization Readiness will issue full or partial licenses to the arms producing companies or companies trading with arms, while the enterprises will be issued licenses by a newly established commission at the Ministry of Trade and Foreign Economic Cooperation under the leadership of the minister.

The newly established commission will include experts from the Ministry of Defense, the Ministry of Foreign Affairs, and the Ministry of Interior.

Bulgaria: Polish Prime Minister on NATO, Other Issues

AU0103095096 Sofia 24 CHASA in Bulgarian 27 Feb 96 p 13

["Interview" with Polish Prime Minister Wlodzimiez Cimoszewicz by Dimitur Sotirov, "provided with the kind assistance of Radio Express, and containing questions asked by representatives of other media"; place and date not given: "We Must Not Be Rivals on the Road to Europe"]

[FBIS Translated Text] [Sotirov] What legacy did you find when you assumed the government of Poland?

[Cimoszewicz] The resignation of my predecessor Jozef Oleksy was not caused by any actions by his government. Accordingly, there was no reason to make any substantial changes in the present cabinet's program. This is why I announced that I would continue as before in the economy, foreign policy, and the social sphere. As my own personal view, I declared that it was necessary to take further measures to increase the citizens' security and to ensure that the actions of all state employees conform to the law.

The continuity in economic policy is dictated mainly by the steady growth in Poland's GDP during the last three years. In 1995 alone it rose by 7 percent, in comparison to the projected rate of 5.5 percent. The continuously high inflation has been brought down to 21.6 percent, while unemployment last December was 14 percent as against 17 percent at the start of the reforms. Our foreign trade has risen by 30 percent, and three-quarters of our exports go to Western markets. Foreign investors are showing increased interest in Poland.

[Sotirov] Which problems worry you the most at present?

[Cimoszewicz] My biggest worry is the continuing two-figure inflation. A number of serious issues in the social field remain unresolved. Despite the fall in unemployment, about 2.5 million people are without jobs at the moment.

We also face a difficult transition in the fields of social and health insurance. Here we are following the idea of our health minister, namely that the money should follow the patients and go directly to the doctors. However, we do not exclude the possibility of resistance on the part of the medical profession itself, because at the moment doctors' unofficial income substantially exceeds their official emoluments.

The reform in the social sphere is aimed at removing the social insurance system from the state budget.

[Sotirov] What direction will take priority in your declared continuity in foreign policy: Will it be Poland's application to join NATO, the EU, or the OECD?

[Cimoszewicz] The three goals you mention are neither alternatives nor conflicting aims. I am firmly convinced that we have every chance of being accepted into the OECD in April or May this year. It will depend on the Polish parliament passing a few more laws.

We are now entering what is perhaps the most tricky period, which precedes our acceptance into the EU. We are due to begin concrete negotiations in about a year and a half. I would venture to propose myself as chairman of the commission that will deal with this issue.

However, if we have certain hesitations regarding joining the EU, these mostly relate to the cost that we will have to pay for integrating the Polish countryside into Europe. No political force or group in our country disputes our application to join NATO. We are convinced that NATO is the only European structure that is capable of effectively preserving peace on our continent. We regard joining NATO as in our national interest, while it does not infringe any other countries' interests. It is our sacred right to concern ourselves with our own security. We appreciate that 1996, the year of presidential elections in both Russia and the United States, is especially important for these processes.

[Sotirov] How do you think you can dispel Russian fears about your future membership of NATO?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Cimoszewicz] I do not think that we have to persuade Russia to agree to us joining NATO. There can be no ambiguity on the question of making decisions about Poland's fate, either in Warsaw or in Moscow. We do not believe that by entering the North Atlantic Alliance we will damage Russia's security. It is not so much a matter of Russia resisting or protesting against Polish membership of NATO as the fact that Russia is prejudiced against the pact in principle. The Russian politicians' behavior shows their negative attitude to the organization; they do not declare this officially, but it exists. The problem is rather how to develop relations between Russia and NATO and to find possible spheres of cooperation between them.

[Sotirov] In the process of integration with the structures mentioned above, is it not better for the former socialist countries to cooperate rather than compete with one another?

[Cimoszewicz] The states of central and eastern Europe should not compete with one another. Personally, I am open to dialogue with any of these countries. For example, in response to the wish expressed by the Czech Republic I will meet with Prime Minister Vaclav Klaus shortly. Similar signals have come from Budapest, and I think that during such bilateral meetings we can think about the common problems whose solution would facilitate our entry into the European structures. In view of the identical difficulties that we are experiencing in our economies and as regards security, it is extremely important for us to exchange information to find out whether we have common fields for action, or whether each country will settle the questions regarding its entry into each structure individually.

[Sotirov] In which fields of bilateral cooperation with Bulgaria does Poland have a real interest?

[Cimoszewicz] I know very little about the present state of the economy in Bulgaria or about the specific areas in which we can further our mutual cooperation. However, I stress that Poland is deeply interested in developing and strengthening its relations with the states of Europe. On the one hand, we are pleased that we have had a good reception by our Western partners, but on the other hand, we would not want this to be the only direction I which our economic interests develop. I believe that we do not underestimate the opportunities for trade contacts with our close partners, Bulgaria included. For example, I would greatly favor expanding the tourist exchange between our two countries, which until recently forged a very close link between us.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovakia: President on EU, NATO, Privatization

WS0103111596 Warsaw RZECZPOSPOLITA in Polish 27 Feb 96 pp 1, 6

[Interview with Slovak President Michal Kovac by Andrzej Niewiadowski in Bratislava; date not given: "To Catch the Train to Europe"]

[FBIS Translated Text] [Niewiadowski] The Slovak and Polish presidents are going to meet in Javorina in the Slovak Tatra Mountains on Friday. What would you like Aleksander Kwasniewski to tell you at the meeting?

[Kovac] It will be our first working meeting. During my official visit to Warsaw, I stated that Slovakia would like to find support in Poland because you are our biggest neighbor as well as being a close neighbor. I will repeat this proposal to Mr. Kwasniewski. We will discuss integration of our countries with the West European structures. The president will receive an invitation to pay a visit to Bratislava.

[Niewiadowski] Are the goals of Polish and Slovak foreign policy similar?

[Kovac] Our interests are very close. The difference is that Poland is a large country, with a long history. The history of Slovakia as a separate state is short. Nonetheless, due to our geopolitical situation as well as to certain common experiences, I get the impression that our international interests are the same. Both countries want to become member states of NATO and the EU. We are seeking to stress our participation in the process of the unification of Europe. We are against the restoration of the Iron Curtain and artificial barriers separating the Europeans. We would also like the unified Europe to include our common neighbors, Ukraine and the Russian Federation.

[Niewiadowski] Poland firmly declares that Russia will not decide whether we should join NATO. However, in statements made by the leading Slovak politicians, there are no such declarations; they are equivocal and vague.

[Kovac] I am convinced that, where the issue of Slovakia's integration with NATO is concerned, we cannot look at the East or the West. It must be our own sovereign decision. Now the fear that this expansion of NATO to the east might result in greater international tension should not be a concern of such a small country as Slovakia. The United States and NATO most certainly do not want to see relations in Europe deteriorate and are striving to incorporate Russia in the collective security system.

[Niewiadowski] Is it not possible that tension in Europe is also heightened by the fact that, for example, Bratislava keeps postponing ratification of the Slovak-Hungarian treaty?

[Kovac] I do hope that in March, on the first anniversary of the signing of the treaty, the document will be finally ratified. This has been announced by the governing coalition. If this does not occur, the international prestige of the Slovak state will be considerably damaged. The Hungarians have met their commitments by ratifying the treaty, and now it is our turn. I believe that this will significantly influence the decision of whether Slovakia will be included among the countries that will be the first to join the EU.

[Niewiadowski] What is your evaluation of the situation on the Slovak political scene?

[Kovac] It can be evaluated from a number of perspectives—for example, how greatly the situation at the top affects the lives of most citizens. I believe that things look very similar in Poland, Hungary, and Slovakia. People are experiencing the unpleasant consequences of the economic transformation. They feel lost and are trying to find a new place for themselves in society. Many people are happy that there is freedom, but others feel nostalgic about the model of a welfare state. They are concerned that there is friction among representatives of the state administration at the highest levels.

Why is this happening? It is a process of introducing democratic values into public life. Everyone, including me and other representatives of the authorities, is marked by the old, totalitarian ways of thinking. Nonetheless, politicians ought to be able to admit that in certain issues they are still far from democratic activities. What is more, if they decide that their own idea of democracy is perfect, if they try to use their powers to impose their own stand on others, and if in doing this they ignore their adversaries, then political tension will build up, which can be said about our case. In Slovakia, a great battle for democracy is being waged. We can only end it by removing the remains of the totalitarian system.

[Niewiadowski] Do you not fear that, before this process is completed, Slovakia will find itself outside the West European structures?

[Kovac] I do not think it will last so long that we will miss the train to NATO or the EU as a result. If we have to wait another year or a year and a half for the process to come to an end, we may not catch up with the train; the decision specifying the countries with which talks are to be started on joining the unified Europe will most probably be made at the end of 1997. We must pass our maturity examination by that time. Should any

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Central European country fail this exam, it will spell a great loss for the entire region. Today we are already linked to one another by common economic interests in the Central European Free Trade Association [CEFTA].

[Niewiadowski] This year Slovakia chairs the CEFTA Joint Committee. There is talk of extending this Central European association to the countries of former Yugoslavia and Ukraine.

[Kovac] Unless this process impedes integration with the West European structures, we will agree to that. Liberalization of the common market principles is a desirable factor. However, this should not increase the distance between the EU and us. CEFTA must not be an organization that is a successor of the Council for Economic Mutual Assistance or an alternative to the EU.

[Niewiadowski] However, what about the model of privatizing the Slovak economy? Does it not increase the distance between Slovakia and the EU?

[Kovac] I will say openly that privatization must be implemented in accordance with a broad social consensus. The process involves privatizing national assets created by all the people in Slovakia. Our country lacks a strong middle class, whose representatives would have enough money to buy out state-owned companies. Therefore, quick privatization should involve either distributing the national assets among the people free of charge or selling part of those assets to foreign investors.

The decision to assign those assets to a chosen group of people is very unfair and dangerous because it leads to great financial imbalance among the people; the situation results not from years-long work and efforts made by entrepreneurs, but from a political act. The national assets are "sold" (in quotes) to a group of domestic managers and sold in installments, which actually means that those assets will be given free of charge to selected circles of people. This certainly is some kind of privatization, but it is hardly acceptable. We will have to change it somehow.

[Niewiadowski] Do you agree with opinions that Slovakia is coming increasingly closer to an authoritarian system?

[Kovac] For a long time now, I have been criticizing trends toward establishing an authoritarian system at the cost of democratic principles underlying the functioning of the executive authorities. These trends became particularly noticeable after the 1994 elections. They are a target of sharp criticism. The desire to concentrate power in one hand is a consequence of different understandings of democratic principles. Those who are doing this are convinced that they are acting in line with the principles of democracy. However, is it so that all parliamentary decisions made by a coalition majority are democratic? Actions taken by the coalition are being severely criticized in our country because the way it is functioning threatens the most fundamental democratic values.

[Niewiadowski] Do you not think that former party activists are simply fulfilling their dreams by taking such actions? One of the deputies of the governing Movement for a Democratic Slovakia has recently admitted that as many as 92 former communists have seats in the Slovak parliament. Do you not fear a restoration of communism in Slovakia?

[Kovac] There are remnants of the communist way of thinking in all of the postcommunist countries. We all lived in the old regime. However, even at that time, some of us were able to speak openly about things that blatantly contradicted the most fundamental human rights, things that made civil liberties impossible. Others did not even realize the nondemocratic character of that system; they thought they were living in a free state because they did not have anything against the communist ideology. If now such people are coming to power, they are further pursuing policies with which they identified themselves; they do not realize that we created different governing mechanisms after 1989. Thus, there is a danger of such stereotyped thinking: Why can't we do what we consider appropriate inasmuch as we have the support of the parliamentary majority anyway? The fight between the old and the new is being waged right before our eyes.

[Niewiadowski] If the United States had been firmer toward Russia and had proposed a new Marshall Plan, perhaps it would have been easier to remove the threat of the restoration of communism in Central European countries.

[Kovac] It is difficult to assess unequivocally whether the West helped us sufficiently after 1989. For example, association agreements with the EU do take into account our interests; in those agreements, the EU offers greater trade facilitations than we can propose to the EU. There is the PHARE [Economic Reconstruction Aid for Poland and Hungary] program, a program that envisions economic assistance from individual Western governments. Of course, this assistance might be greater, but this also depends on whether we are able to absorb it. In Slovakia, some funds are not being used properly because we are unable to work out professional projects.

[Niewiadowski] Do you think the church should participate in public life more openly? Is it not its duty to speak about the mistakes the authorities are making?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Kovac] The church certainly is entitled to make statements on issues concerning public life. It bears great responsibility in this respect because it takes care of morality in public life. If it puts up with the low political culture, how can it speak about fulfillment of its mission? The church cannot be held responsible for the situation within political parties, nor can it engage in political agitation to help a party win more supporters. However, regardless of who is currently in power, it should criticize phenomena that pose a threat to morality, even if those phenomena involve the president or parliamentary deputies. The church should criticize them if the criticism relates to things that are improper.

[Niewiadowski] Your son, who was kidnapped to Austria six months ago, returned to Bratislava two weeks ago or so. You spoke as a witness before an Austrian court. You suggested—and you based your opinion on the investigation that had been conducted thus far—that there was evidence that the Slovak security services were responsible for the kidnapping.

[Kovac] The investigation in Slovakia has not been completed yet. I wonder how it will wind up. What the operational team has at its disposal—that is, all the pieces of circumstantial evidence and materials—clearly shows the direction in which the investigation is being conducted. Another important thing is that judges should be able to perform their duties independently, regardless of party decisions. The prosecutor's office must not work under any pressure. In line with Slovak law, no one, not even police or security service functionaries, has any special immunity. I would like to trust that, even though there are certain problems, our country is a legal state. If so, we stand a good chance of exposing the real culprits and bringing them before a court of law.

[Niewiadowski] Your son is suspected of embezzling 2.3 million korunas. Is he innocent?

[Kovac] Yes, he is. I do not believe the allegation. I am positive. This is proved by the investigation to date in Slovakia and Germany. There is no conclusive evidence that would prove that my son was involved in this affair.

Slovakia: Kovac Tells Primakov of Aim To Join EU, NATO

LD2902125696 Prague Radiozurnal Radio Network in Czech 1200 GMT 29 Feb 96

[FBIS Translated Text] Russian Foreign Minister Yevgeniy Primakov started his visit to Bratislava today by meeting Slovak President Michal Kovac. Presidential spokesman Vladimir Stefko said after the meeting that, during their talks, Kovac had stressed Bratislava's intention to join the European Union and NATO. Kovac went on to say that it was not possible to create a European security system without Russia because that would lead to a new division of Europe, and that was not in Slovakia's interest.

Slovakia: Primakov Urges Less Involvement With NATO

LD2902234296 Bratislava STV 1 Television Network in Slovak 2105 GMT 29 Feb 96

[FBIS Translated Text] Russian Foreign Minister Yevgeniy Primakov and Slovak Foreign Minister Juraj Schenk gave a joint news conference this evening at which a great number of Slovak and foreign journalists were present.

[Begin recording] [Unidentified correspondent] Juraj Schenk opened the news conference by briefly assessing the talks [between him and Primakov].

[Schenk] Our relations are balanced, very tactful [Slovak: korektne], and dynamic. The Slovak Republic has confirmed its intention to integrate into European economic, political, and security structures.

On the other hand, we have stressed the need to start working very intensely on the creation of a security model for a Europe of the 21st century. This model should be based on the principles of cooperation and should not exclude anyone from the [security] system. On the other hand, it should be based on the principle that security should not divide; in other words, it should guarantee security for everyone.

We have said that Slovakia does not want others to decide about its affairs. We have also stressed that Slovakia does not want to be a bridge between the East and the West. This is a theory with which we have had enough bad experiences as well as some good ones.

[Reporter] Juraj Schenk also said that Slovak officials had listened very carefully to the arguments of the Russian side, mainly those against the expansion of NATO. [Russian Foreign] Minister Yevgeniy Primakov talked about this issue as well.

[Primakov, in Russian fading into Slovak translation] We are not against a speedy expansion of NATO; we are against the expansion as such since it puts us into a disadvantageous geopolitical and military position, not to mention the psychological aspects.

However, the Cold War is over. Russia will not bang the table or order anyone not to join NATO. At the same time, we also have a right to have our views taken into consideration. We must look for ways that would reflect the fears of Central and East European countries as well as those of Russia.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I hope that all of the countries involved in NATO expansion will weigh again all the circumstances in order not to divide Europe again and throw us back.

Neither can we agree with the idea that the whole process of enlargement is postponed by a year or two. This is unacceptable to us.

[Reporter] Journalists' questions afterwards focused on further developments in Russia, especially after the presidential elections. Yevgeniy Primakov answered:

[Primakov] I have faith in healthy forces in Russia. I believe that the democratic changes and the shift to a market economy are irreversible. Certain improvements can be made, and some of them are already being implemented. However, the aim of these improvements is to make the changes less painful for the Russian people. As far as further developments are concerned, I am an optimist.

[Reporter] Journalists were also interested in Russia's relations with the countries of Central and East Europe as a whole and Slovakia in particular. Minister Primakov said:

[Primakov] Our relations with this part of Europe are a priority for Russia. In the past we had our hands tied by new economic ties. I know that neither you nor we are satisfied with the past in many respects. But [in the past] there was economic cooperation that was beneficial to everyone. We must make use of the best things that existed in the past.

Slovakia has a passive trade balance with Russia. I hope you will not [try to] improve it by halting the imports of our raw materials. It is in your interest that your goods are exported to Russia. Do not get too involved with NATO. NATO comes and goes. Nations remain. [end recording]

Slovakia: Hungarian Party Against Closer Ties to Russia

LD2902181496 Bratislava Slovak Radio in Hungarian 1400 GMT 29 Feb 96

[FBIS Translated Text] The Hungarian Civic Party of Slovakia [MOS] is against government efforts to attach Slovakia to Russia tighter than so far. MOS would rather like Slovakia to become increasingly closer to the West, Deputy Chairman Laszlo Gyurovszky said at the party's press briefing held today in connection with [Russian Foreign Minister Yevgeniy] Primakov's visit to Slovakia.

It was also said at the briefing that the party supported the initiative by the Democratic Party to convene an extraordinary parliamentary session.

The MOS deputy chairman also introduced today Jozsef Berenyi, the party's new culture and education secretary.

Slovakia: Weekly Says Meciar Strong Despite 'Scandals'

AU2902180496 Prague RESPEKT in Czech No 9, 26 Feb-3 Mar 96 p 3

[Commentary by Peter Schutz: "The Forlorn Hopes of a Postcommunist Bride"]

[FBIS Translated Text] If parliamentary elections were held in February 1996, Meciar's Movement for a Democratic Slovakia [HZDS] would win 33 percent of the vote. This is 3 percent more than in January and another 3 or 4 percent more than in the various polls conducted during the winter of 1995.

It is never possible to completely trust polls on electoral support; in spite of this, after 14 months of the current coalition government, this figure bears a clear, already hardly contestable, message: Vladimir Meciar has managed to stay on his feet during all of the weird and unrepeatable somersaults and stunts that surely would bring down any government in any country with a democratic tradition just "a tad" longer than Slovakia's.

This is valuable information, even though it does not say as much about Meciar himself or his coalition, but, above all, unfortunately, about Slovakia as such.

A Game Involving One Man

An especially interesting recommendation for the connoisseur may be to compare the current success with the Calvary of Meciar's second government: At that time, after a year and a quarter in government, support for the HZDS had declined by more than 50 percent compared with the victorious 1992 elections; the cabinet, following the desertion of several coalition deputies, was actually a minority one, and the opposition was beginning to draw up its plans for seizing power. Meciar's second team produced abundant different scandals, affairs, and blunders. Despite this, there were a shade fewer of them than today and, in particular, they were of a lesser caliber.

Since the last elections, the Slovak political scene has already had, one after the other, the cancellation of coupon privatization, consistent pressure for the president's resignation, the kidnapping of the president's son (about which only one in seven citizens thinks was not carried out by SIS [Slovak Information Service]), the mass distribution of state property to the "faithful" for a trifling sum, the demarches from the European Union and the United States, the attempt by the state

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to eliminate the largest share fund, and so on. Despite this, Meciar sits on his throne and grips the reins of power more securely than at any time before. A possibility that absolutely no one considered 14 months ago is becoming ever more realistic: The troika of the HZDS, the Slovak National Party [SNS], and Luptak's Association of Workers of Slovakia will survive until the next elections.

So, if Slovakia is talked about as being the least stable Central European state, compared with the hectic progress in surrounding countries, a fact erroneously overlooked is worthy of attention: Not one change has been made in the ruling cabinet in 14 months. This, of course, does not say anything about domestic political stability, but it does say rather a lot about the situation within the ruling coalition. One thing in particular is exemplified by this: the dominance of a strong personality and its political will, which is capable of dragooning those around it, while nipping the focal points of future coalition flare-ups—or, rather, of ministerial disobedience—in the bud.

Sham disputes, like the disagreements over the "Hungarian treaty," are intended to maintain a semblance of democratic courses of action and of autonomy for the minority partners, but they are merely a screen to disguise the diktat of one man. This is not to say that discussions are not held here and there within the coalition and that diktat is imperative. By his authority, with his disposition for a carrot-and-stick policy administered in doses, Meciar is "merely" integrating the differing views, and the moment he takes a stand on one of them, it becomes the political will of the coalition by the weight of his voice.

A Check Without the Landlord

But, apart from the two "perennials"—the kidnapping of the president's son and privatization—the topic of future changes in the government, despite and contradictory to what was said above, is holding more and more sway over Slovak policy. Just last week, the departure of Social Affairs Minister Keltosova to an ambassadorial post in the United Nations was announced. The issue, however, involves not only personnel, but also direct political changes. The stress within the Party of the Democratic Left [SDL], KO'd by a catastrophic slump in the elections, has led to bitter internal party polemics about whether to remain in the opposition or to enter the government after all. The discussion has been accelerating unprecedentedly in recent weeks and now, as it is with communists, there is also a "conceptual material" called "Questions Regarding the SDL's Entry Into the Ruling Coalition."

A definitive "yes" or "no" from the SDL should be pronounced at its April congress. But it is already obvious now that the entire "discussion" ritual, including its climax, an internal party referendum, merely serve to ensure that the floundering wing around current Chairman Weiss are able to clear the way for the so-called pragmatics at the congress without losing face. The "pragmatics," however, are also setting certain conditions for entry into the coalition, especially as far as a change in the current method of governing is concerned; thus, of course, they are making out the check without the landlord. No official offer has come from the HZDS. There are merely "lobby signals" and a kind of secret belief that Meciar needs the SDL to improve the rotten international image of the existing ruling team. However, this is bad judgment. On the contrary, Meciar has no genuinely serious reason to change his "winning team" and send the SNS, with which the postcommunists (at the moment) reject a coalition alliance, onto the substitutes' bench. Meciar is, naturally, aware of the inadequacies and negatives of the existing coalition, but, from his point of view, the positives prevail: He has never governed as easily as now. And this is the criterion he reverēs most.

A Nontransferable Heritage

The substitute topic of "government reconstruction" has one advantage for Meciar: It has become factually the only longer-lasting rival in the media to the superscandal surrounding SIS and the kidnapping of Kovac Jr., and it is also detracting attention slightly away from the gigantic privatization maneuvers. As opposed to the considerations about a coalition with the postcommunists, these issues are harsh reality, and last, but not least, they are also the common internal heritage of the existing coalition. It is also apparent from the nature of this heritage, however, that, first, it cannot share it out and, second, it does not even want to. Therefore, it is highly probable that there will be no new coalition in Slovakia.

Even a person less power hungry than Vladimir Meciar would not change his dutiful team given the same public support with which he won the elections and a clear majority in parliament. The media inclined toward the opposition can say what it likes—he who has defended the coalition tooth and nail, although his second government was a minority one, really does not need to change now.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovakia: Kanis on Possible SDL Entry Into Coalition

AU0103113296 Bratislava PRAVDA in Slovak 27 Feb 96 pp 1, 4

[Interview with SDL Deputy Chairman Pavol Kanis by Martin Krno; place and date not given: "At Half-Time in the Election Term"]

[FBIS Translated Text] [Krno] Why was it actually necessary to draft a concept for the possibility of the SDL [Party of the Democratic Left] joining the government?

[Kanis] The relations between the SDL and the HZDS [Movement for a Democratic Slovakia] is one of the questions our members have demanded for quite some time, and justifiably so, that it be unequivocally resolved. A part of the precongress discussion is also the question raised by the party leadership of whether the members support or alternatively oppose our joining the government.

[Krno] Your public statements indicate that there are also other reasons than just the internal party ones. Could you give us some details?

[Kanis] There is a current in international policy that, it seems, is moving toward a new geopolitical shaping of Europe. For professional politicians, it is also a signal of possible steps that would not necessarily lead to the optimal solutions for ensuring the state and national interests of Slovakia because many solutions in international law and international politics are a result of the period when our continent was divided into two blocs, one of which, however, disintegrated. Ambitions, for decades suppressed, are initiating new tremors that are growing stronger and stronger. The ideas of some influential politicians, which relativize the treaty-sealed results of World War II or even World War I, should awaken Slovak politics and lead Slovakia to strive for political unity and stability.

[Krno] A logical view dominates in the SDL that the existence of a party that does not seek a share in political power is not historically justified. It seems, however, that the discussion before the 4th Congress is more concerned with the conditions under which the party could join the government coalition....

[Kanis] It is always good for a party if the important questions are settled so clearly, unequivocally, and definitively that they do not split the membership. The SDL, within the framework of precongress preparations, also intensified its work in the area of clarification of the issues concerning the role of power in the implementation of its own programmatic objectives. The implementation of a policy has its stages, and therefore it is necessary to differentiate between the possibility of joining the government and actually joining the government. Thus, it is necessary first to take a new "inventory" of the programs and facts since the elections. Only after this stage is a preparatory contact between the representatives of the political entities feasible. We are at the stage where the possibility of joining the government is being assessed. The SDL Republic Council was not to analyze any specific material, as you whimsically reported in PRAVDA. It was not even on the agenda, and the closest we got to it was my briefing. The fact that it is a serious problem was immediately demonstrated by its becoming the main topic of the discussion on Saturday. Sometimes things are more complex than they seem to a newspaper reader or a rank-and-file member of a party body, and therefore they must be discussed. The final decision certainly is up to the Republic Council or the congress.

[Krno] SDL draft program documentation connected with the party's specific political measures, including certain limits for the discussion on joining the government, is being completed. These limits were already overstepped once.

[Kanis] The SDL has experience participating in the government. We know what to avoid and what to do so that negative things are not repeated. Any assessment today of the SDL's joining any government would see it as much better prepared, more thorough, and more responsible than in 1994. Only a party that obtains more than 50 percent [votes in the elections] has no problems with conditions for entering the government. As long as there is a coalition government, one must seek out positions that coincide in programmatic documents and a certain understanding for who must implement what, so that one does not lose political face. The stage that precedes the discussion on the possibility of joining the government has its logic in that it probes the chances of harmonizing the conditions of the individual participants. Such a process must be, even with the conditions, entered at the right time. I am glad the Republic Council adopted the resolution that, before internal party discussion on the conceivable joining of the government, all favorable or adverse comments concerning this issue be considered premature. This stance takes into account that we are at a preparatory stage and that this issue must be resolved to maintain the effectiveness of the SDL policy so that, after the elections, the party has a unified political line.

[Krno] Nevertheless, I am now encountering an underestimation of the conditions for the SDL's joining the coalition. Although all talks on coalition require a compromise, it would be difficult to imagine a compromise

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

between the demand that the president resign and relations between him and the government be normalized.

[Kanis] I am against messages being passed to the press by those who should talk. In politics, the motivation of a certain action simply cannot be written up and declared right at the beginning. The final result is a matter for two parties, and they must be fair in their dealings. The reactions to my statements by officials of other parties were often just a demonstration of their own interests, through which they wanted to obfuscate this affair. I liked very much the statement by Mr. Slota that privatization is over, so why does the SDL want to join the government. If privatization is finished, one thing must be said: If any political entity is considering joining the government now, it clearly demonstrates that its concern is Slovakia rather than some privatization leftovers.

[Krno] You believe that there are groups favorably inclined toward government cooperation with the SDL in both the Movement for a Democratic Slovakia and the Association of Workers of Slovakia [ZRS]. To what degree can they decide on a change in the attitude of their respective party leadership?

[Kanis] I believe them to be influential but do not dare to estimate the degree. They simply exist, and our mutual understanding stems from the fact that they emphasize the issue of professionalism in the government, the direction of social development, and how society should look. There are tense relations in the present government coalition, apparently resulting from privatization interests and the different political charges held by the different groups. It would help political stability if the policy of the government teams were clearer than it has been. If such governments continue, including the right wing, the center, and the left wing, and the opposition is similarly composed, a constant chaotic tension awaits Slovakia also in the future. It would be better if the left-wing parliamentary parties—for instance, the SDL and the ZRS—held an equal position in the system of power: joint government or joint opposition. This would make politics more transparent, and it seems that new stability would begin to form in Slovakia. If one left-wing party is in the government and another in the opposition, the question emerges of whom it benefits.

[Krno] I expect that you have unofficially consulted the possibility of the SDL's joining the government with the aforementioned parties. Do you believe it realistic for your joint views to be implemented?

[Kanis] It is almost impossible to determine the possibilities without actually testing the influence of these groups in the decisionmaking processes of the individual entities. Nevertheless, history does not end with a single election term. Everything that is to come about requires a certain historical background, and therefore this question may attract a more favorable light in future parliamentary elections.

[Krno] You mentioned that the new initiative is also to contribute to the conclusion of the situation in which the SDL is neither fish nor fowl, so its position is clarified—government or unequivocally opposition. If the second option is chosen in April, will this problem emerge again within this election term?

[Kanis] This question must be seen within the framework of specific time that mercilessly flies toward the new elections. As we approach half-time in the election term, it is the last chance for all—not only for the SDL—to reflect on this issue regardless of what result they wish and what the outcome will be. The SDL must be clear in these matters, must concentrate its forces on the actual content of its policy, if it wants to create a good starting position for the coming election campaign.

Slovakia: Ministry Invites Bids for Two GSM Licenses

AU2902175396

[FBIS Report] Bratislava HOSPODARSKE NOVINY in Slovak on 22 February on page 11 publishes a 500-word "Announcement of International Public Tender" for the construction and operation of a GSM (Global Standard for Mobile Communications) network on the territory of Slovakia. Bratislava SME in Slovak on 24 February on page 3 carries a 600-word report by "jam," entitled "License for Mobile Telephone Network Can Be Acquired by Companies With 60 Percent of Domestic Capital." The report, based on a SME correspondent's interview with Stanislav Vanek, director of the Communications Section at the Slovak Ministry of Transportation, Post, and Telecommunications, deals with the conditions for awarding a GSM license.

The announcement of an international public tender in Bratislava HOSPODARSKE NOVINY in Slovak states that the Slovak Ministry of Transportation, Post, and Telecommunications "plans" to award "two licenses for the provision of public mobile telecommunications services by means of the GSM standard." Both license winners are to be awarded "the same number of frequencies in the 890-908 Mhz and 935-953 Mhz bands." According to the announcement, English-language "tender documentation" containing the conditions of the tender can be obtained from the Ministry of Transportation, Post, and Telecommunications after 29 February for a fee of $500. The bids, along with the bids' insurance "in the form of a guarantee issued by Postova Banka [Postal

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bank] for $200,000," must be submitted by 10 May 1996.

The SME report quotes Stanislav Vanek from the Ministry of Transportation, Post, and Telecommunications on the conditions of the tender. It states that bids for the license can be submitted by companies "that have 60 percent of domestic and 40 percent of foreign capital." The license, which is to be awarded in July or August of this year, will cost $8 million, and its winner must "make the signal of the GSM system accessible to 80 percent of the Slovak population within three years." According to Vanek, preliminary interest in the license has been expressed by 10 companies, including the German DeTeMobil company, which won the license to operate mobile telephone networks in Austria and Poland and seeks also a license in the Czech Republic. The Eurotel company, which has been operating a different network for mobile telephones in Slovakia since 1991, will also be able to bid for the GSM license, Vanek says, but it will have to meet the same conditions as the other bidders—that is, it will have to meet the requirement of 60 percent of domestic and 40 percent of foreign capital. As SME observes, the present structure of ownership in Eurotel is 51 percent of Slovak capital and 49 percent of U.S. capital.

According to the SME report, the announcement of an international public tender for the construction and operation of a GSM network in Slovakia was also published by the London FINANCIAL TIMES on 22 February.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Hungary: President Appoints Medgyessy as Finance Minister

LD2902163496 Budapest Kossuth Radio Network in Hungarian 1600 GMT 29 Feb 96

[FBIS Translated Excerpt] President Arpad Goncz has appointed Peter Medgyessy as finance minister. The 54-year-old economist will take office from tomorrow. Peter Medgyessy believes that the personal income tax system has to be transformed, that the circle of those paying tax must be expanded so that tax rates can be reduced. [passage omitted]

Hungary: Israeli Firms Offer To Modernize Military Forces

LD2902235396 Budapest MTV Television Network in Hungarian 1830 GMT 29 Feb 96

[FBIS Translated Text] The issue primarily discussed at Gyorgy Keleti's [Hungarian defense minister] talks in Tel Aviv was the way Israeli companies can take part in the privatization of the Hungarian military industry and the modernization of the Hungarian forces. The defense minister was received this morning by Shim'on Peres, Israeli prime minister and defense minister.

[Begin Keleti recording] We visited several firms that mentioned offers to take part in modernizing the MiG-21 BIS-type aircraft of the Hungarian army. This does not mean that we agreed to anything, as we only just learned about this offer here. We received offers not only for the Mig-21's but also for the T-55 tanks. The purpose of these visits was simply to show us this equipment and give us offers. Naturally, no decision has been made. [end recording]

Hungary: Russian Deputy Economics Minister on Debt Payment

LD2902234796 Budapest Kossuth Radio Network in Hungarian 2100 GMT 29 Feb 96

[FBIS Translated Excerpt] This year Russia cannot yet fully repay its debt to Hungary, Yakov Urinson, first deputy economics minister of Russia, has said. Csaba Poor reports.

[Poor] After his talks, the deputy minister said that the Russian Government guarantees to repay the approximately U.S. $900 million debt. The companies participating in the repayment will receive state support. It was agreed earlier that Moscow will repay part of the state debts with military deliveries in the value of about $320 million.

Preparations of other civilian contracts are also under way. Russia might, for instance, deliver combine-harvesters, railroad cars, and trucks to Hungary. [passage omitted]

The guest also said that Russia is ready to participate in the extension of the Budapest underground. According to plans, it could be an investment of U.S. $240-260 million, but Hungary has not yet decided on this issue.

Hungary: Government Agrees To Send 35 Policemen to Bosnia

LD2902200496 Budapest Kossuth Radio Network in Hungarian 1700 GMT 29 Feb 96

[FBIS Translated Text] On the basis of the Hungarian Government's decision, 35 Hungarian policemen will travel to Bosnia. Judit Laszlo reports.

[Laszlo] At the end of last year the UN secretary general asked Hungary to assist the work of the international police forces in Bosnia-Herzegovina with 50 Hungarian policemen. The government has now decided that 35 Hungarian policemen will participate in the peacekeeping mission and 40 million forints will be spent on this from general budget reserves.

The UN policemen, Austrians, Italians, Swedes, Norwegians, and Hungarians will be carrying out an unarmed service. According to plans, 109 police stations will be set up in Bosnia-Herzegovina.

Hungary: Progress in Romanian-Hungarian Expert Talks

LD2902234996 Budapest Kossuth Radio Network in Hungarian 2100 GMT 29 Feb 96

[FBIS Translated Excerpt] Slight progress was made at the Hungarian-Romanian expert talks, which ended today. Tibor Bogdan reports.

[Bogdan] Today the Romanian and Hungarian experts discussed in two mixed groups an agreement on cooperation and partnership and the code of conduct in minority affairs.

Gabor Bagi, leader of the Hungarian delegation, told Kossuth Radio that some progress had been made regarding the first document. They agreed on several issues, some problems, however, remained open.

Outlining the partnership agreement, he said it was in fact an operative program that summed up the tasks deriving from the other two documents of the reconciliation package and the basic treaty. As it contains concrete areas, it is easier to make progress here than in the other documents dealing with theoretical issues. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

B-H: Izetbegovic Greets Citizens on Independence Day

AU2902200196 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 29 Feb 96

[FBIS Translated Text] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, has issued a message to the citizens of Bosnia-Herzegovina on the occasion of 1 March, Independence Day. The message reads as follows:

Dear citizens of Bosnia-Herzegovina,

Circumstances have necessitated that I write this message from my sickbed, but this will not influence its content. It may, however, influence its length. Tomorrow is our great holiday, Bosnia-Herzegovina Independence Day. In the future, I would like all of us to be less Bosniak, Croat, Serb, and Jew, and more like citizens of Bosnia-Herzegovina. Let us add to the affection we feel for the people we belong to, love for the our mutual homeland. We need both these loves if we are to heal the wounds and ensure that the tragedy does not repeat itself. Dayton has put an end to death in Bosnia. It has also laid the foundations of an integral Bosnia-Herzegovina, with all the characteristics that integration implies and means. However, these are still only foundations, and the building awaits its builders. We still have a lot to do, and it is up to us to see that this important task is completed.

Congratulating you on tomorrow's holiday, I call on you to turn to this task in order to strengthen the frail peace which will gradually turn our dreams of Bosnia as a country of tolerance and freedom into reality. I hope that God will allow me to participate in this immensely important task for our children. However, irrespective of what happens, I will share with you good and evil until the end, states the message issued by Presidency President Alija Izetbegovic.

B-H: Ganic, Adm. Smith Discuss Further Peace Efforts

AU2902213896 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 29 Feb 96

[FBIS Translated Text] Ejup Ganic, Federal vice president and Presidency member, today received Implementation Force Commander Admiral Leighton Smith, who informed him about the situation on the ground following the Rome summit decisions.

The talks focused on the further implementation of the Dayton accord, particularly those parts that are to revert back to federal authority control. Dr. Ganic expressed satisfaction with the fact that representatives of international organizations have lauded the behavior of the Bosnia-Herzegovina federal police during the takeover of Sarajevo districts.

B-H: IFOR Praised, Bildt's Leadership Questioned

AU0103132796 Split NEDJELJNA DALMACIJA in Serbo-Croatian 1 Mar 96 p 8

[Report by Mario Galic: "Five 'Abramses' Drove Away a Serb Tank Brigade!"]

[FBIS Translated Text] Searching for mujahidin, IFOR [Implementation Force] troops first carried out on 15 February a helicopter landing operation on the plateau of Mt. Pogorelica. A well-equipped terrorist training camp was found there, as well as at least three Iranian instructors and eight Muslim-Bosniak trainees. The camp itself (a ski hut) belongs to the MUP [Interior Ministry] of Bosnia-Herzegovina. The entire building was full of special weapons (sniper guns with silencers, portable rocket launchers) and explosive devices shaped like toys, books, and even the form of an ice cream cone. A picture of Ayatollah Khomeyni was also found there, whose name gives goose-bumps to the Americans in Bosnia. Some U.S. newspapers claim that IFOR soldiers on this occasion captured a number of plans for terrorist attacks against U.S. troops in Bosnia, among others even precise plans of the U.S. Embassy in Sarajevo, the IFOR headquarters, as well of U.S. bases around Tuzla. Sketches of other IFOR facilities were found as well, and also some detailed plans for abductions of Serb officers for connections with IFOR. The reaction to this came quickly, because the U.S. State Department announced already on 21 February that the Muslims in Bosnia-Herzegovina would not get a single dollar of military aid until they remove from their military units all foreigners (that is, mujahidin), which actually means Iranians. No wonder that Alija Izetbegovic was hospitalized the following day for heart problems.

The Largest Depot

Then the edge of IFOR's determination turned against the Serbs. In just one day (18 February) IFOR troops carried out an inspection of the largest Serb military depot in Bosnia-Herzegovina, and forcefully removed a Serb tank brigade. In two major Serb depots based in Han Pijesak and Han Kram U.S. units found a large quantity of weapons (35 tanks, 13 armored personnel carriers, a great number of air-defense missiles, and a very large number of heavy guns), which the Serbs had forgotten to report. The tension was increased by the fact that underneath the depot in Han Pijesak there is a large command center built by the former JNA [Yugoslav People's Army], which is now being used by Ratko Mladic. So it happened that U.S. soldiers were literally walking above his head, with his picture in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

their pockets and instructions to arrest him immediately if they happened to come across him. Of course, the Americans captured nothing there, and why would they? They satisfied themselves with the registration of the weapons found and their action undertaken to show who the new boss in Bosnia-Herzegovina is. By this "raid" the Americans attacked only the already considerably shaken Serb pride and nothing else.

It is indicative that approximately at the same time a hundred kilometers northeast of Han Pijesak, around Modrica, a far greater drama for the Bosnian Serbs was happening. In that region a single U.S. tank company forced an entire Serb tank brigade to leave its position near Modrica and withdraw to its garrison in Derventa, where the local Serb units are supposed to be based, according to the Dayton accords. Several U.S. Abrams tanks and Bradley infantry combat vehicles, supported by Apache and Black Hawk combat helicopters, escorted 28 Serb tanks and 16 armored personnel carriers to Derventa.

Secret Airfield

Although the American raid on the Serb weapons depots in Han Pijesak and Han Kram was given far greater media attention than the second event, the latter is far more significant because strong Serb forces had to pull out from the already legendary corridor, and thus hand it over to IFOR's exclusive control. To understand how difficult the decision on leaving positions around Modrica was for Serbs, it is enough to look at the map. South of Modrica lies Gradacac, controlled by the Bosnia-Herzegovina Army, whereas Odzak, controlled by the Croats, according to the Dayton accords, is situated north of Modrica. From Odzak to Gradacac the straight-line distance is 15 kilometers. Thanks to the Dayton accords, a new narrow throat of the corridor came about there. And the Serbs had to withdraw precisely from that area as they did not want an open conflict with IFOR's combat force.

The day after all this (19 February), French soldiers based in Ilijas, a small town north of Sarajevo, captured from Serbs two mortars, several antitank rocket launchers, 50 cases of various ammunition, and six kilograms of explosive. To make sure that no stupid idea would occur to the Serb commanders there, two U.S. F-16 aircraft flew over the region, waiting for an opportunity to drop bombs on Serb positions. This time the Serbs remained peaceful and humbled.

Keeping in mind that the British IFOR members uncovered a secret airfield of the Muslim government near Visoko, it is quite eye-catching that so far only Bosnian Croats have not had any serious problems with IFOR, which until now has not raided any Croat depots or garrisons, checking what they are keeping there.

Bildt's Problems

While IFOR is doing its part of the job quite efficiently, the political part of the Dayton accords is advancing at a snail's pace. A part of the answer to the question why IFOR's handling of the task is so exemplary is found in the names of the people leading IFOR and those in charge of settling the political problem of Bosnia-Herzegovina. That is, IFOR is led by no more and no less than Admiral Leighton Smith, commander of NATO's Southern Command, with considerable help from General George Joulwan, NATO commander, who stays in Bosnia-Herzegovina at least one day every week. On the other hand, the person in charge of the implementation of civilian (political) provisions of the Dayton accords is Carl Bildt, whom his European colleagues consider to be extremely ambitious, but not as intelligent. Bildt is wriggling with this and such things in the Bosnian political web, not being able to disentangle himself alone. One ought to be honest and admit that he himself is a little to blame for the situation he is in, because as opposed to Adm. Smith, who is backed up by all of NATO, Bildt is backed up by typically disunited Europe, which does not have a unanimous attitude toward any issue, let alone toward measures to be implemented in Bosnia-Herzegovina.

After all, the Dayton treaty was conceived and born through U.S., rather than European diplomacy. Therefore, nobody else in Bildt's shoes, unless he was an American, would be able to do any more than he has done so far. A different question is why he, Carl Bildt, rather than somebody else, was appointed Europe's high representative. The answer is found in all the things stated above, which means that Europe did not want to sacrifice any of its strong political personalities to a job doomed to failure from the very beginning, at least as far as Europe is concerned.

B-H: Bildt Conducts Tour of North Following Criticism

AU2902221896 Paris AFP in English 1943 GMT 29 Feb 96

[FBIS Transcribed Text] Tuzla, Bosnia-Herzegovina, Feb 29 (AFP)—Carl Bildt, the international community's top civilian official in Bosnia, visited northern Bosnia Thursday [29 February] following criticism he was overlooking the pressing needs of the region.

Bildt completed a whirlwind tour of towns, including Tuzla and Brcko, both in need of help and guidance from the team implementing civilian aspects of Bosnia's Dayton peace accords.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He met with civilian officials in both towns, telling them that Brcko was of particular concern to him given its continued disputed status.

Brcko faces a potentially thorny arbitration process as a key strategic town disputed by the Bosnian Serbs, who currently hold the town, and Bosnian government forces.

Tuzla meanwhile faces problems with refugees, having attracted thousands following the fall of east Bosnian Moslem enclaves to Bosnian Serb forces last summer.

The tour came five days after Felix Vargas, a senior IFOR [Implementation Force] political advisor, hit out at Bildt's team for moving too slowly in Bosnia and for concentrating disproportionately on Sarajevo's problems to the detriment of far-flung regions which urgently require attention.

B-H: Commentary Examines IFOR Behavior, Relations

AU2902205196 Hanau NOVA BOSNA in Serbo-Croatian 23 Feb 95 p 10

[Commentary by A.S.: "IFOR Has Not Come to Bosnia in Order To Build What Was Destroyed"]

[FBIS Translated Text] At one meeting with the cantonal authorities, General William Nash, commander of the 1st Armored Division, clearly stated that the Americans were not coming here to invest, build plants, or reactivate the economy. There are various agencies for that. What IFOR [Implementation Force] can do is mainly maintain and improve the communication infrastructure—of course, in accordance with IFOR's needs. Thus, one of the priorities of the U.S. engineering units in this region is reconstruction of the railway and bridges, from Tuzla, via Brcko, to Vinkovci. Maybe that is why, in order to prevent the opening of this important communication line, the Serbs tore down the famous Lika bridge in the southern suburb of Brcko—once an invincible fortress of the Bosnia-Herzegovina Army. The Lika bridge was built in 1946, in the time of the "youth work action Brcko-Banovici" by the youth brigade from Lika. In 1996, it was perhaps torn down by some other people from Lika who had settled in Posavina after Operation "Storm." That is not much of an obstacle for the U.S. engineers. Communications are being opened and, at least here in northeastern Bosnia, nobody asks the Serbs' permission for that.

Exceptional Measures of Precaution

The inhabitants of Tuzla and Tuzla-Podrinje Canton are gradually getting accustomed to the Americans. The myths about the U.S. Army's supernatural abilities are slowly fading. "Look how small and clumsy they are," those are the most frequent comments of passersby in Tuzla. The citizens, used to the brutality and terror of Chetnik artillery orgies, cannot but laugh at the numerous precautionary measures that the U.S. troops obey when going through the city. Recently, in the vicinity of Tuzla square, for reasons known only to themselves, at a sergeant's command an entire U.S. patrol that was moving along on the sidewalks on both sides of the street suddenly lay down on the concrete. What followed was a gale of laughter from the passersby, who were careful not to step on the U.S. soldiers who had assumed a combat posture. Not one U.S. soldier can leave the base at Dubrave airport unless there are four of them in the group, at least one of whom must be armed. When they enter an institution in the city, it resembles an occupation or a raid, under full military arms. Somewhat more to the north, in the U.S. Army camp, the situation is a bit more comfortable. Tents and military equipment are distributed in the mud along the road. When you drive on that road, you are greeted with a broad smile and a wave of the hand by every U.S. soldier who comes your way (probably following orders on the behavior towards the local population). But, do not be fooled by this comic dimension, which the witty Bosnian spirit can easily notice. Until now, as far as the IFOR mission is concerned, many things have been accomplished here, even those that used to be unthinkable. The communication lines towards Orasje, which are of strategic importance, have been opened and are to be used by civilians. Accompanied by the U.S. Army, the Bosnian media managed to reach places that could not be reached by the Bosnia-Herzegovina Army: Doboj, Orasje, the notorious Chetnik stronghold in Pelagicevo, and, as we have discovered, they will soon reach Brcko, too. Judging by the present practice, the Americans carry out what they have planned, with or without the help of the local authorities—although satisfaction with the cooperation with the federal side can be felt in IFOR. After the first month, it can be concluded that the U.S. part of IFOR has shown most efficiency in the implementation of the Dayton agreement.

In Tuzla, there are many speculations about an extended stay by the Americans and the forces of the NATO pact, at least at Dubrave airport. This opinion can be supported by NATO's global strategy of expanding to the east, but also by the strategically extremely favorable position of Dubrave airport. The Dayton border has removed the Serbs from all the dominant positions in the vicinity of Dubrave airport, which means from around Tuzla as well. Thus, the federation got the notorious Potras, Banj Brdo, and Stolice (where the U.S. Army is already building its own telecommunication transmitter)

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

on Mount Majevica, and the notorious Vis near Kalesija. Today, Dubrave airport cannot be seen from any Serb position. It will never be learned whether the borders of the entities were moved to the disadvantage of the free villages in Zvornik municipality that were given to the Serb entity. In any case, the airport, and the Americans on it, are safe from the Serb artillery.

Misunderstandings Between IFOR and the Authorities of Bosnia-Herzegovina

As time goes by, it is more and more likely that the Bosnian side stands a good chance of losing the economic battle with IFOR. For example, some places have already been rented by entrepreneurs, who have even come from the United States, in order to provide various services (mostly pizza deliveries) to the U.S. troops—if our entrepreneurs do not know how to do so or have not been given the possibility to do so. The Americans have brought with them their own agency, which signed a contract with the Pentagon, for the employment and provision of other services, and which, at present, is recruiting and testing the knowledge of potential candidates as translators in IFOR. As we have learned from the authorities of Tuzla-Podrinje Canton, the government will establish contacts with IFOR through the competent ministry and will try to examine the legitimacy of the agency, because the Dayton agreement states clearly that the IFOR mission must be in accordance with the local laws. In the canton, questions are being asked about this agency's legitimacy. In any case, the selection of translators goes on, with the promised salary of 1,000 German marks a month and life insurance in the amount of $100,000. The unclear attitude of the Government of the Republic and the Federation of Bosnia-Herzegovina contributes to the unregulated relations with IFOR. Now, there are some underhand attempts to correct what has already been signed at the highest level (the free use of facilities for the accommodation and training of the IFOR), by passing the buck to the local authorities. The instructions from Sarajevo are imprecise, and it is hard to adjust oneself to them. According to Muhamed Ibrahimovic, in charge of relations with IFOR, the Americans most often invoke the military aspect of the Dayton agreement, which states that the Government of Bosnia-Herzegovina is obliged to provide facilities, land, and space for the preparation and the performance of operations, as well for the accommodation of IFOR personnel. Differences appear when it comes to the understanding of the term "accommodation"—Ibrahimovic says. Unlike our government, IFOR believes that accommodation implies all the facilities, including everything needed for the preparation, training, and accommodation of their forces, unless it is private property. The cantonal authorities have, despite all the differences, tried to accomplish some sort of economic effect. Thus, an agreement was recently reached between the cantonal authorities, the Chemical Combine in Lukavac, and IFOR on renting one part of this combine's capacities, according to which IFOR has to pay a monthly rent of $100,000. That does not mean that more such arrangements can be expected, because it is more and more evident that IFOR will invoke the military aspect of the annex that was signed by the Bosnian Government.

State's Property Free, Private Property for a Lot of Money

Since the West treats private property as sacred, there are more and more obvious requests by IFOR for state-owned objects to be marked in order to avoid the principle of payment that would have to be obeyed for private property. From the general agreement, it is clear that every member (state) of IFOR has the right to their own arrangements, which creates additional problems if we bear in mind that the line of management and command over the smaller IFOR units has still not been defined. IFOR is asking that state-owned facilities be registered in order to move into them as they choose, disregarding the fact that some of those places have extreme significance for the reactivation of economy, for example. As always, the story is not interesting unless there are Russians in it. They occupy certain facilities without anybody's knowledge and without any explanations. Thus, during the night from 16 to 17 January 1996, without any announcement, request, or approval, they occupied the entire production capacities of the "Dalekovodmontaze" company in Simin Han, a Tuzla suburb that is in the zone of responsibility of the Russian IFOR brigade. The Russians do not allow any sort of contact regarding that problem, nor do they allow the company employees to have any access. The officers of that unit claim that they have received orders from their superior command in Ugljevik (?!) and that there can be no discussion about that. All the tools, machines, and equipment have remained in place.

This company, since it works on the building of transmission lines, power stations, and cable lines, is very important for the coming period of the entire Bosnia-Herzegovina's reconstruction. Since the Russian unit's command is stationed in Ugljevik, it is impossible for the cantonal authorities to make contact. Minister Muhamed Ibrahimovic points out that the Tuzla-Podrinje Canton government is obliged to protect state interests in this area regarding both the reactivation of economy and the military aspect in coordination with the Bosnia-Herzegovina Army. That is why renting certain facilities (as in Gracanica and Gradacac) has to be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

approved, but only following consultations and coordination with the competent institutions, such as, for example, the cantonal ministry of economy, the army, etc.

According to Muhamed Ibrahimovic, the cantonal government, on the basis of the demanding talks it has held with IFOR so far, expects to have better cooperation in all areas very soon, starting with securing accommodations, maintenance of facilities, services and supplies, employment of local personnel, maintenance and reconstruction of road and railroad communications, and all other aspects of cooperation. For example, in IFOR, there is a sector for cooperation with schools and universities, and that should be used. "But," Ibrahimovic stresses, "in the same way, we expect to have precise instructions from the Government of the Republic and the Federation of Bosnia-Herzegovina, for us to be able to follow them, because one successfully solved problem could become a rule of behavior." In any case, today, there are two separate organisms in parallel—IFOR, which is still a world in itself, and Tuzla-Podrinje Canton, which is also a world in itself. The answer to the question of how to join these parallel worlds should be found as soon as possible.

B-H: British Soldier 'Victim of an Accident'

AU2902220996 Paris AFP in English 2108 GMT 29 Feb 96

[FBIS Transcribed Text] Sarajevo, Feb 29 (AFP)—The British soldier who died in Bosnia on Wednesday [28 February] from gunshot wounds was the victim of an accident, the NATO-led peace Implementation Force (IFOR) said Thursday.

"Private Simon Leslie Fox, aged 24, of The Second Battalion of the Light Infantry, died in a firearm accident," IFOR'S southwest division, which is under British command, said in a statement.

"There were no suspicious circumstances. The factions (in former Yugoslavia) were not involved. The Royal Military Police are conducting an investigation into the incident," it said.

Fox, who was based at Sanski Most in Bosnia's northwest, was married without children.

He was the fourth British soldier to die in Bosnia since IFOR began to deploy its 60,000 troops from 30-odd countries two months ago.

The other three died January 28 when their vehicle struck a landmine in the area of Gornji Vakuf.

Britain has contributed 12,500 personnel to IFOR. The United States and France are the other major components of the force.

B-H: Ganic, Komsic Receive Romanian's Melesanu

LD2902233496 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 29 Feb 96

[FBIS Translated Text] Bosnia-Herzegovina Presidency member Ejup Ganic, who is deputizing for the president of the Bosnia-Herzegovina Presidency, and Presidency member Ivo Komsic this evening received Teodor Melescanu, Romania's deputy prime minister and minister of foreign affairs.

In a lengthy conversation the two sides examined a number of issues of mutual interest in the sphere of political and economic relations. Both countries expressed their permanent interest in stable peace and prosperity in the region, the development of mutual trust among the Balkan people and in overcoming—peacefully—all problems between the Balkan states.

B-H: Bosnian-Romanian Diplomatic Relations Established

LD2902234196 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 29 Feb 96

[FBIS Translated Text] Bosnian Foreign Minister Jadranko Prlic and Teodor Melescanu, Romanian deputy prime minister and minister of foreign affairs, signed a joint statement in Sarajevo this evening on establishing diplomatic relations at the embassy level. According to the joint communique, Bosnia-Herzegovina and Romania in this way wish to consolidate and develop friendly relations and all forms of cooperation.

After signing the statement, the two ministers and members of their delegations discussed different forms of cooperation, the implementation of the Dayton agreement, and the post-war reconstruction of Bosnia-Herzegovina.

B-H: Koschnick Hopes 'New Face' Will End Mostar Strife

AU0103130096 Paris AFP in English 1231 GMT 1 Mar 96

[FBIS Transcribed Text] Mostar, Bosnia-Herzegovina, March 1 (AFP)—Hans Koschnick, who leaves his job as EU administrator of this divided Bosnian city later this year, said Friday he hoped a "new face" would help the peace process between rival Moslem and Croat camps here.

In an apparent reference to his frequent clashes with the hardline Croats in Mostar, Koschnick said that he hoped his successor would be "different" and that a "new face" would have more success in pushing the Croats and Moslems into reconciliation.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The EU administrator, appointed in 1994 to oversee the reunification of Mostar which was shattered by 11 months of fighting between 1993 and 1994, is little liked by the Croats because of his efforts to reunify the town.

Last month he was physically attacked by a Croat mob when he left a city centre hotel after he unveiled plans for reunification.

On Monday, he told EU foreign ministers he wished to quit the post as soon as a successor could be found. Citing personal reasons, he said he would leave the job by July 23 at the latest, when his current mandate comes to an end, but hoped someone could be found to replace him before then.

Speaking at a press conference in Mostar Friday, Koschnick said, "the political aim of my function has been achieved."

Under Koschnick's administration, the separate Moslem and Croat authorities in the war-damaged city have agreed to freedom of movement for civilians wishing to pass between its Moslem and Croat halves.

And earlier this week, police from the separate Moslem and Croat police began joint patrols across the city. Those patrols were increased Friday to include six patrols daily criss crossing the city.

Later Friday, Koschnick was to meet British General Michael Walker, the commander of NATO-led ground troops in Bosnia to discuss the situation in the city.

B-H: Commentary on Problems in Croat-Muslim Federation

LD2902134896 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1700 GMT 28 Feb 96

[FBIS Translated Text] Implementation Force [IFOR] Commander Admiral Leighton Smith said yesterday that the stability of the peace process in Bosnia-Herzegovina depends on the survival of the Croat-Muslim Federation. Ivan Kristic comments on the experience of setting up the federation and the problems which have arisen:

[Begin Kristic recording] Even before Admiral Leighton Smith's statement it was crystal clear that the setting up of the Bosnia-Herzegovina Federation as a union of Croats and Muslims is the basis of U.S. policy in this region.

The primary goal of this political project was to stop the war, make peace by encouraging compromise and flexibility, and thus create conditions for NATO's expansion into the whole of southeastern Europe.

It is unfortunate, however, that the Americans, guided by their pragmatic interests, have clearly shown that they do not rate consistency very highly: they violate, elegantly but without apologizing, principles which are not to their liking.

A consequence of such political activity is the fact that the Vienna agreement [pre-Dayton agreement to promote cooperation between Croats and Muslims] and the Bosnia-Herzegovina Constitution fall considerably short of the standards of the Washington agreements. Moreover, all this was radically changed in Dayton at the expense of the Croats in Bosnia-Herzegovina.

It is because of this that the federation, instead of being made up of two equal partners as defined at the beginning, is only a smokescreen used by the Muslims to expand their control to territory the Serbs are returning to the federation, and their hope is that the same thing will happen with the territory defended and controlled by the Croatian Defense Council.

While we have a flood of media reports about the federal police entering the Sarajevo suburbs that the Serbs are leaving, those who are not politically naive can easily see that these men, dressed in green uniforms, wear the insignia of the Muslim authorities, and that their national structure is ethnically completely pure—green [Muslim], just like their uniforms.

It is exactly the same with the 100 so-called federal policemen who have come to Mostar for joint patrols with Croatian and European police.

We need not even mention the example of Bugojno. Dzevad Mlaco, the usurper of power there, is systematically and consistently sabotaging the implementation of all agreements, refusing even to meet Croatian officials and international mediators. Mlaco has been rewarded by promotion to chairman of the deputies' club of the Muslim Party of Democratic Action [SDA] for effectively evicting Bugojno Croats and preventing them from returning to their homes, which are still being looted, burned, and destroyed in every way.

And while the Muslims systematically and persistently work to marginalize Croats in the federation and reduce them not to a national minority but to a religious group which, if things continue like this, will only have religious freedom if they are loyal to the Muslim authorities, Croatian officials in the governments of Bosnia-Herzegovina and the federation act as if everything is just fine.

Since they were not elected democratically but appointed by their superiors, they do not feel responsibility for the people whose interests they should and ought to be representing. Their sole concern is to keep themselves in office, retain their privileges, and ensure their personal promotion and advancement.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

We could agree with the saying that every nation gets the leaders it deserves. It is unfortunate for the Croats in Bosnia-Herzegovina, however, that those who represent them are in the main not elected but undemocratically imposed over time. This closes the circle of the absurd—hopefully only until the next free and democratic elections. [end recording]

B-H: Kapetanovic Promises Travnik Reconstruction Aid

AU2902175196 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 29 Feb 96

[Report by Rafija Kulasin from Travnik]

[FBIS Translated Text] According to Izudin Kapetanovic, Bosnia-Herzegovina Federation prime minister, his visit and talks in Travnik today were primarily motivated by the need to speed up the constituting of the central Bosnian canton. In this context, the prime minister talked to Travnik municipal heads, Adnan (?Terzic) and Mirsad (?Dranovic), and Mehmed Corhodzic, member of the Party of Democratic Action [SDA] Executive Council, and Munid Karic, president of the SDA municipal organization. Concrete activities were agreed on the speedy establishment of legislative and executive authority in the central Bosnian canton; the prime minister also fully supported the activities carried out heretofore.

As for Bugojno, in which an interim municipal council has still not been set up, Mr. Kapetanovic said that the SDA supports the speedy resolution of the Bugojno issue. When asked about the deadline, Prime Minister Kapetanovic said that the central Bosnian canton had to be constituted as soon as possible; he added that setting new deadlines would be useless and would only mean postponing the situation. As prime minister, I support a speedy implementation of the set, and as yet unfulfilled, deadlines. We have already accomplished a lot, and there is no problem that cannot be solved, Prime Minister Kapetanovic said.

The other topic of the federal prime minister's talks in Travnik today was the functioning of the county bodies of authority and institutions in the transitional period, until the setting up of the central Bosnian canton [words indistinct] other counties have officially [words indistinct]. The prime minister said that this was yet another reason for the speedy establishment of the central Bosnian canton, as there must be no paralysis in the work of institutions vital for the county.

In addition to these two main topics, during the meeting with the municipal and SDA authorities in Travnik, Prime Minister Kapetanovic on behalf of the SDA extended his full support to the new (?course) of the Travnik SDA municipal organization, headed by [name indistinct]. The prime minister was also acquainted with the need for the government to extend financial aid to Travnik, particularly for housing and infrastructure in those parts of the municipality that during the war used to be either on the separation line, or under temporary Serb occupation; of course, financial aid is also needed to revive the economy, without which there can be no hope of employing demobilized troops. Regarding this, Prime Minister Kapetanovic said that he was aware that one-third of Travnik Municipality was destroyed, and said he would do everything to see that Travnik gets the necessary material support. He added that the government was already working on this.

B-H: RS' Krajisnik Comments on Suspending Sanctions

AU0103113696 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 28 Feb 96

[FBIS Translated Text] Momcilo Krajisnik, Serb Republic [RS] National Assembly chairman, characterized the suspension of sanctions against the Serb Republic as major encouragement to further implementation of the Dayton accord. The sanctions suspension lays the foundation for the normalization of the economic and political situation in the RS. However, we cannot expect it to act as a magic wand and set the entire economy into motion, emphasized Assembly Chairman Krajisnik. The assembly chairman believes it will take a long time for some things to get back to normal and says that suspension of sanctions is an important event that will have an impact on the psychological, emotional, and social segments of our country.

B-H: No Change at FRY Borders Since Sanctions Lifted

AU0103120496 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 28 Feb 96

[FBIS Translated Text] Vlado Trisic has a report on the situation at the border crossings to the FRY [Federal Republic of Yugoslavia].

[Trisic] After the [UN] Security Council decided to suspend the sanctions against the Serb Republic and the FRY Government decided to lift the embargo on the Drina River, which has been in force since midnight last night [2300 GMT on 27 February], our team visited the border crossings of Sremska Raca and Pavlovica Most, but noticed no significant changes on the ground.

Vehicles are passing, but they are still mostly half empty, carrying small, scarce goods. It is still not possible to say whether this should be ascribed to the habit of transporting small quantities or to the lack

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of courage to import more. What is important at this moment are some minor concessions for the transport of food and the fact that it is now possible to cross the border more easily, since the permit issued by the Ministry of Defense is no longer required, but [words indistinct].

Freight trucks are still not going through. Representatives of the services in charge, whom we contacted today, stated that they believed the situation will become more normal within the next few days, but, as they said, it will take patience and, above all, understanding.

B-H: Commentary Views Suspension of Sanctions

AU2902213296 Banja Luka GLAS SRPSKI in Serbo-Croatian 28 Feb 96 p 2

[Commentary by Andjelko Anusic: "Life Without Ramp"]

[FBIS Translated Text] The sanctions against the Serb Republic should have been suspended a long time ago, because the Serb side had honored practically all the provisions of the Dayton accord. Ours was the first side that pulled its troops from the separation zones, released all prisoners of war and detained civilians from its prisons, and thus fulfilled the obligations it had assumed in Dayton, that is, in Paris and a little later on in Rome, within the deadlines.

Why does the suspension of the sanctions against Srpska [Serb Republic]—regardless of how strategically important it may be for the Serbian people— lack the allure of a surprise, the thrill of the first, breaking, front-page news story, especially since there was much foot-dragging in various ways on lifting the sanctions? All sorts of already known and seen blackmail was used and traps laid, and the international community, on several occasions (for who knows how long) wronged the Serb side "by the way" by allowing the other (Muslim) side to blatantly violate the civilian provisions of the Dayton accord (the case of the premature transfer of authority in the Serb Sarajevo).

Not to mention that this very same international community used (and is still using) double standards when it speaks about the treatment of the war crimes and war criminals, insisting fervently on the alleged war criminals' extradition from the Serb side while silently glossing over the discovery of a Muslim terrorist training camp near Fojnica without any sanctions against the Muslims side. This scandal, which was a major slap in the face primarily for the United States, was reduced in diplomatic circles and the international press to verbal and journalistic outpourings of fear about Islamic terrorism, whose spear is primarily aimed against the members of the international troops in the former Bosnia-Herzegovina.

Luckily, the weight of truth finally tipped the scales in favor of the Serb Republic precisely in the case of the suspension of sanctions against it. The question is, what prompted the UN Security Council to pass this long-awaited decision?

Perhaps the decree by which the Russian Federation simply suspended the sanctions against the Serb Republic (on 23 February), signed personally by Boris Yeltsin, accelerated the passing of the decision. The Rome summit, at which the Yugoslav side insisted on the suspension of sanctions against Srpska, definitely helped, too. Whatever the case, the economic blockade was suspended and the Serb Republic's position is radically different now.

The most conspicuous among the initial reactions to the suspension of sanctions against the Serb Republic is, of course, a letter by Serb Republic President Karadzic to Russian President Boris Yeltsin, whose decree had started the meltdown of the economic blockade against the Serb Republic.

In the opinion of Serb Republic Prime Minister Rajko Kasagic, the suspension of sanctions against the Serb Republic could have happened a lot earlier, however, "the arrest, that is, the kidnapping, of General Dordje Djukic and Colonel Aleksa Krsmanovic disturbed the relations." The suspension of the sanctions against Srpska was also greeted with understandable enthusiasm in Novi Sad, by the local businessmen, because it primarily meant the lifting of sanctions on the Drina River. Even the Implementation Force command greeted the suspension of sanctions against Srpska, while Milorad Jovanovic, Democratic Party of Serbia spokesman, assessed that the Security Council's decision in question was "greatly overshadowed by the exodus of the Serb Sarajevo residents." Zoran Cenjic, member of the main committee of the Serbian Liberal Party, expressed regret that the Security Council suspended the sanctions against the Serb Republic before the FRY did so!

The media and the political circles in Montenegro also described the suspension of sanctions as an encouraging step. The international community did not remain silent in the face of the Security Council decision either. Carl Bildt believes that the suspension of sanctions will facilitate faster economic development of the Serb Republic, while the French Government sees it as the consolidation of peace efforts in the former Bosnia-Herzegovina.

Finally, the suspension of sanctions against the Serb Republic, as part of a chain reaction, also led to the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

suspension of the blockade on the Drina River, which is of crucial importance for the Serb Republic. Namely, the Serb Republic is facing the reconstruction of its industry and economy, which have been decimated by war and the double blockade. Of course, it will not be possible to realize these tasks without cooperation with FRY and the world.

B-H: Prospects for Arms Procurement After Embargo

96BA0147B Sarajevo LJILJAN in Serbo-Croatian 24-31 Jan 96 pp 20-21

[Article by Aziz Handzic: "By Next Year, the Bosnia-Herzegovina Army Will Be a Regional Power"]

[FBIS Translated Text] *Although there are still dilemmas about whether the Bosnia-Herzegovina Army's arsenal will include German Leopard-2 tanks or the Russian T-72, the U.S. F-16 aircraft or Russian MiG's, Apaches or Mikoyans, it is quite certain that in a very short time the Republic of Bosnia-Herzegovina [RBH] Army will (have to) make a qualitative leap forward that, if it will not deter the enemy from another aggression, in the case of a new war will show the enemy that aggression against Bosnia does not pay! Will the training of the RBH Army be guided by U.S. generals from MPRI [Military Professional Resource, Inc.] or professionals from some other army?*

Did the lifting of the embargo on importing weapons for the Bosnia-Herzegovina Army come too late? Yes, from the standpoint of the country and the Army that resisted four years of aggression without weapons. From the standpoint of the very uncertain course of events in the Balkans and the position of Bosnia surrounded by Serbia and Croatia, however, the arming of the Army is now, after the (first phase of the?) war, something that will affect our survival in the future. In the event of another attempt to establish a "Greater Serbia"—because Belgrade, in spite of everything that has happened, has not given up on its project of "all Serbs in one state"—this time Bosnia-Herzegovina has to meet the attack with a strong Army with modern weapons!

Heavy Calibers Are Coming in June

Bosnia-Herzegovina, according to the provisions of the military part of the agreement, can already buy weapons now, but will only be able to deliver them to its territory 90 days after the signing of the Dayton agreement, i.e., in March. In the first phase, this applies to light weapons, i.e., everything except heavy artillery and armor. The Army will only be able to include heavy calibers, tanks, self-propelled howitzers, personnel carriers, and other types of armor, and transport and combat aircraft in its armament after 180 days from "D-Day," i.e., in June. At the very beginning, it must be clear to us that the Army's weaponry will be under strict supervision (and measured out) by the United States and NATO; that also theoretically applies to the Serbian forces in Bosnia, the HV [Croatian Army], and the FRY [Federal Republic of Yugoslavia] Army. The U.S. forces have assumed an obligation to arm the RBH Army and train it, but it is already certain that some other countries will provide and deliver the weapons themselves so that the United States will not be participating too obviously in this. The Dayton agreement provides for two alternatives for the establishment of a balance of power in Bosnia-Herzegovina and in the Balkans. The first is the disarming of the Serbian units and a balanced division of troops between the Federation of Bosnia-Herzegovina [FBH] and the Republic of Srpska, with a ratio of 2:1 in favor of the FBH. The tables provided illustrate the current situation and the one envisioned by the agreement. Actually, it is hard to believe that NATO will succeed in disarming the Serbs and giving those troops to the FBH as outlined in the agreement. It seems that this was abandoned at the very beginning, and instead of disarmament the other alternative was immediately worked out—arming the weaker side until there is an effective balance of power.

The choice of weaponry that the Bosnia-Herzegovina Army (later on the Federal Army) will add to its arsenal is closely related to the main shortcomings of our Armed Forces during the four years of war, but also to the nature and tactics of the enemy. The Serbian formations achieved a strategic advantage thanks to their clear superiority in heavy artillery, tanks, and other armor, and in aircraft. The Serbs achieved their largest offensives and largest territorial conquests in Bosnia-Herzegovina thanks to the abundant use of those advantages. They used them to make up for their inferiority in manpower, and with respect to personnel, their superiority in educated and professional officers was felt in just the first two years of the war. As the war progressed, and the Army gained its own experienced or educated officers, that imbalance faded. Consequently, first of all it will be necessary to remove the still existing imbalances in weapons and equipment.

Tank Destroyer

The least of the problems are related to light weapons. In this war the AK-47 automatic rifle has been confirmed to be one of the best in the world (since the Bosnian infantry's armament included almost all types of rifles, which turned out differently). The Bosnia-Herzegovina Army, in principle, should develop in accordance with NATO standards, but the question is whether it is advis-

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

able to replace the Kalashnikovs now with, for instance, the American M-16A1 rifle. Standardization here could probably go in the direction of introducing exclusively 7.62-mm caliber Kalashnikovs into the infantry's armament. The heavy artillery above 100 mm that is being offered to us is once again from two programs, NATO's and the Soviet one, which will have to be combined. Our artillery will probably introduce the M 101 A1 and M 102 105-mm howitzers, whose range is over 11 km. This is a weapon tested in Vietnam, which has a high-endurance barrel with minimal maintenance, and the capability of hitting targets from behind an obstacle (a hill) at a high angle, which is very essential given Bosnian terrain. Furthermore, long-range weapons from the former Yugoslavia's forces are on the market—122-, 105-, and 152-mm howitzers, and a 130-mm cannon. Since the Bosnian defense industry is already producing some barrels of these calibers and ammunition for them, it is to be expected that there will be a combination of the development of the production of these weapons, and imports, as long as the quantity and quality of domestic production do not meet the requirements. The same situation is true for mortars. We would not gain much by introducing the western 81-mm and 130-mm calibers. It would even be inefficient, because the production of 82-mm and 120-mm mortars, along with shells for them, has already been adopted.

Antiarmor weapons are a problem that requires a high-quality solution, in order to avoid, in the future, dramatic situations in which one or two Serbian tanks are victorious in a skirmish just because our fighters do not have enough Zoljas or Osas, not to mention improved weapons for antiarmor combat. During the second year of the war the Army acquired the Red Arrow 8 system, of Chinese manufacture, but in the future a far more modern and more powerful antiarmor weapon will be required. The choice could fall to the TOW 2 mobile system (with 2A and B improved versions) and the TOW 3 (in Desert Storm, it was called a "tank killer"), or some other system that operates by the "fire and forget" system, i.e., with almost 100 percent accuracy. With that system, it is possible to conduct antitank combat at a distance of 500 to 3,750 meters, with the safety of the system's operator far higher than when using obsolete systems.

The Dilemma—NATO or Soviet Program

Tanks and armored personnel carriers are commodities that flooded the arms market after the collapse of the Warsaw Pact. The modern Russian T-80-U tank, withdrawn from the former GDR, costs $2 million, and the T-72 costs $1 million, while the obsolete T-55 goes for just $200,000. The American M-1-Abrams tanks ($3.6 million) or the German Leopard 2 ($4.2 million) come to the "table" from the West. Back in 1993 the news leaked out that the RBH Army had already bought several Leopards, but they were not seen on the battlefields under our insignia. Russian armored vehicles would be cheaper and easier to purchase (the Muslim countries of the former USSR are full of them), and it would probably also be simpler to solve the problem of training crews and maintaining the vehicles, since we have a lot of tank troops in the Army already trained (in the former JNA [Yugoslav People's Army]) and maintenance has been developed. The choice, however, could fall to the Western option if that choice is dictated by the Bosnia-Herzegovina Army's long-term commitment and ties to NATO (the Partnership for Peace). Armored personnel carriers produced by the Warsaw Pact are commodities with an already trivial price of $110,000 to $190,000 apiece, which almost eliminates any dilemmas regarding the choice.

Missile systems are a weapon that was dominant in the biggest operations on the Croatian and Bosnian battlefields, especially in the last phase of the war (in 1995). Multiple rocket launchers of various types and calibers were the basic weapon used to carry out the "scorched earth" tactic. It is logical that, because of its effectiveness, this type of weapon will be introduced and developed on an increasingly greater scale. The Bosnia-Herzegovina Army (and the HVO [Croatian Defense Council] and HV) already have 262-mm Orkans in their armament, multiple rocket launchers whose range is up to 80 km and which are produced by the domestic defense industry. That settles this question, and outside assistance is only possible in the further development of this weapon. Air defense in the RBH Army must undergo fundamental changes for the sake of modernization. That is dictated by the steps being taken by the enemy. The Army of Yugoslavia [VJ], for which the embargo has also been lifted, intends to modernize its Air Force considerably. Moscow has already been contacted—this has to do with the purchase of a new contingent of MiG-29M combat aircraft (the improved version), and the most modern Russian general-purpose combat aircraft, the Sukhoj-35. Several pilots have already returned to Serbia from Russia after completing training in flying this aircraft, which clearly confirms the VJ's intention of including it in its Air Force. The RBH Army's air defense has to (!) have an adequate response, namely the Russian S-300 missile or its American counterpart, the Patriot.

A "Flying Battleship" in the Bosnian Sky?

The Bosnian sky cannot be controlled, however, without effective aircraft and helicopter units. The Bosnian Air

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Force, with its few "Mikoyans" (Mi-8 and Mi-17), from which pilots obtained more than the maximum in their extremely risky flights across occupied territory, is still in its cradle. The first question is which combat aircraft to choose. Croatia based the development of its Air Force on MiG's (the MiG-21 and MiG-29), which is, of course, the cheaper alternative. Whether the RBH Army's Air Force follows that path, or chooses the F-16, or the Mirage 2000, or anything at all from NATO's arsenal, it will all be new to us. In this case the high-quality training of the pilots is more important than the choice of the aircraft. We would not want anything like what happened to Libya to happen to us—it bought several hundred French Mirages for its Army, and afterward they rotted in the desert sand because there was no one to fly them! Next, the Croatian Army has also included the Mi-24 helicopter, the proven "flying battleship" from the Afghanistan war, in its Air Force, which is certainly a good choice. These aircraft, along with some reliable Mi-17's, would certainly be welcomed by our Army. The alternative is the U.S. Apaches, which are more expensive, and a complete unknown for our pilots.

Consequently, if we proceed from the assumption that the money for the weapons has already been allocated, and that the periods when we can import the purchased weapons are known, then we are left with very few dilemmas. The ones regarding the choice of models and calibers can be reduced to the dilemma of the NATO program or the Russian one, modern (more effective) or older (less effective) technology, but in connection with this there is also the dilemma of whether to get weapons that require longer and more complicated training, or shorter training. These dilemmas, of course, will be resolved by the main sponsor of the modernization of the RBH Army, the U.S. Army, in addition to our military leadership. That is also the case with respect to training. The Croatian Army achieved its present new modern structure and level of effectiveness thanks to the presence of instructors from Military Professional Resource Inc., the best military consulting firm in the world. It includes the best just retired U.S. Army officers, who, at the request of individual governments, develop the most effective training programs for their armies. They have been in Croatia since back in 1993, and the results are obvious. The tactics and strategy created precisely by MPRI can be recognized in the Maslenica, Medak pocket, Flash, and Storm operations. Officers from this firm are already present in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] Army, and so it would be logical for them to go to work in Bosnia-Herzegovina as well. There are indications, however, that the training of the RBH Army could be assisted by the armies of Turkey and Pakistan, which are also constructed following the NATO model. In any case, the Bosnia-Herzegovina Army has ahead of it a very difficult and not too long period of restructuring, a concentrated program of mastering new weapons, knowledge, and skills, at the end of which our Army must make a qualitative leap forward. The guidelines are the standards imposed by the Partnership for Peace program (the anteroom for NATO), but the final product, of course, has to be a new Bosnia-Herzegovina Army, capable of an effective response to aggression from any side.

Present Assets of Military Formations in Bosnia-Herzegovina

Army	Tanks	APC's	Heavy	Missiles/ MRL's	Aircraft	Helicopters	Artillery Systems
RBH Army	67	59	430	55	0	12	—
HVO	45	30	310	30	0	5	—
Republic of Srpska Army	310	225	1800	70	30	32	—

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Planned Assets in Bosnia-Herzegovina per Dayton Agreement

Army	Tanks	APC's	Heavy	Missiles/ MRL's	Aircraft	Helicopters	Mortars	Artillery Systems
FBH Army	180	136	196	20	68	18	406	—
Republic of Srpska Army	90	68	98	10	34	9	206	—

B-H: Serbs Claim Izetbegovic Witnessed Torture in Camps

AU0103115296 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 28 Feb 96

[FBIS Translated Text] Over the past ten days in Timisoara, four Hague Tribunal investigation teams gathered evidence about crimes committed against the Serbs in Muslim prisons in Konjic, Mt. Igman, and Sarajevo. Serb civilians were tortured in Muslim camps in Celebici near Konjic, Konjic sports hall, farm buildings in Hadzici near Sarajevo, camps on Mt. Igman, and in Krupa. Serb prisoners came to Timisoara to help judges find concrete evidence about the criminal behavior of representatives of the Muslim authorities, including Alija Izetbegovic who, as they said, personally witnessed the torturing of Serbs. More than 1,200 Serb civilians passed through the camps, and some of them did not survive the torture.

B-H: Serbs Held in Muslim Camps Testify Before Tribunal

LD2902194896 Belgrade TANJUG in English 1712 GMT 29 Feb 96

["Pool" item]

[FBIS Transcribed Text] Belgrade, Feb. 29 (TANJUG)—The third group of Serb witnesses, who were held prisoner in Bosnian Muslim camps, have testified in the Romanian town of Timisoara before four investigators of the Hague-based court for war crimes in the former Yugoslavia.

Extensive documentation was also presented to the tribunal's investigators, representatives of the Association of Camp Inmates From 1991 On told a news conference here Thursday.

Association President Slavko Sibalija said testimonies had been given this time by more than 30 Serbs of different ages who had been held prisoner for six months at least in one of the six Muslim camps near Sarajevo and the town of Konjic, southeast of Sarajevo.

He said the witnesses had testified about the worst forms of torture.

Association Member in Charge of Documentation for the War Crimes Tribunal Dragica Jovanovic said direct accusations against Muslim civilian and military leaderships had been presented in the documents and testimonies.

She said it had been established that Muslim leader Alija Izetbegovic and other Muslim officials had known about the existence of the camps and had even visited some of them.

Association members said a heliport used by Izetbegovic's helicopter was only 30 meters from the camp at the Tarcin silo, near Konjic.

They told the press that two Serb witnesses had testified before the investigators of the war crimes tribunal that Izetbegovic had visited more than once the camp at Celebici, near Konjic.

They said a preliminary list identifying the sites of more than 30 mass graves in Sarajevo in which Serb victims were buried had been presented to the tribunal's investigators in Timisoara and a request made for proceedings to be instituted against persons responsible for the illegal trials of many Serbs in Sarajevo.

Association's lawyer Dragan Vasiljevic said information had been received that tribunal's investigators had heard in the United States the testimonies of nine Serbs, former camp inmates, and were to hear 60 more.

Some of the witnesses, Serbs held at the Tarcin, Trnovo, Igman, Celebici and Musale camps near Konjic, told the news conference about the physical and psychological torture and other horrors they had gone through at the Muslim camps.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

B-H: Djukic Charged With 'Crimes Against Humanity'

AU0103102196 Paris AFP in English 0950 GMT 1 Mar 96

[FBIS Transcribed Text] The Hague, March 1 (AFP)—Bosnian Serb General Djordje Djukic was Friday formally charged with war crimes by the prosecutor of the international war crimes tribunal.

Tribunal prosecutor Richard Goldstone laid charges of "crimes against humanity" and "violation of war rights and conventions" against Djukic.

Djukic and his deputy, Colonel Aleksa Krsmanovic, have been held in special UN cells at the Scheveningen jail near here since being moved to the Hague on February 12 following their arrest in Bosnia by government police.

The tribunal suspended its hearing until noon when it was to rule on an application by Djukic's lawyer for his immediate release.

Djukic claimed his total innocence and said his arrest and subsequent transfer to The Hague by the NATO-led peace implementation force in Bosnia was a case of kidnapping.

The indictment dated Thursday was confirmed by a judge of the international tribunal, the court said.

B-H: Tribunal To Hold Krsmanovic Until 4 Apr

AU0103104596 Paris AFP in English 1036 GMT 1 Mar 96

[FBIS Transcribed Text] The Hague, March 1 (AFP)—The International War Crimes Tribunal said Friday it would keep Serb Colonel Aleksa Krsmanovic in detention until April 4.

The tribunal earlier Friday formally charged Serb General Djordje Djukic with war crimes. Djukic was arrested along with Krsmanovic in Sarajevo before being transferred to the Hague on February 12.

B-H: Serb Officer Refuses To Cooperate With Tribunal

LD0103121296 Belgrade TANJUG in English 1156 GMT 1 Mar 96

["Pool" item]

[FBIS Transcribed Text] Belgrade, March 1 (TANJUG)—Belgrade attorney Igor Pantelic, who defends detained Bosnian Serb officer, Col. Aleksa Krsmanovic, said after returning from The Hague on Thursday evening that his client had instructed him not to cooperate with The Hague tribunal and that he had acted accordingly.

Col. Krsmanovic and Gen. Djordje Djukic, detained currently by The Hague tribunal for war crimes in the former Yugoslavia, were arrested by Bosnian Muslim police at the end of January on a Sarajevo road controlled by the international peace Implementation Force (IFOR).

Before their arrest and extradition to The Hague tribunal, the two officers had not appeared on any list of suspected war criminals.

'Krsmanovic is firm in his stand not to cooperate with The Hague tribunal because he could not recognize it, and I was instructed to act accordingly,' Pantelic told TANJUG.

'Acting upon my client's position, and my own estimation, I did not want to initiate the hearing procedure, and that is why the court has not heard Krsmanovic,' Pantelic said, adding that the activities of the court were politically coloured.

'If I come to the conclusion that my client's interest needs to be protected, I will at once take legal actions envisaged under the statute and rules of procedure of the tribunal,' Pantelic said.

At the request of chief prosecutor Richard Goldstone, the court will on Friday make a decision on a possible extension of detention for Gen. Djukic and Col. Krsmanovic.

B-H: Karadzic, AT&T Businessmen Meet in Pale

LD2902211396 Pale Srpska Televizija in Serbo-Croatian 1930 GMT 29 Feb 96

[FBIS Translated Text] In Pale today, Radovan Karadzic, president of the Serb Republic [RS], received a delegation of businessmen from the U.S. AT&T firm involved in the construction of telecommunications systems. They discussed the restoration of the mass communications system and radio and television network, as well as the development of post and telecommunications for the needs of the Serb Republic.

A representative of this firm (Mikhail Karakostas) proposed that AT&T should get involved in restoring the RS's destroyed telecommunications system via direct financing and investment projects with firms from the RS. Cooperation with the U.S. firm would be realized in the field of mass and public communications, the construction of a necessary network, and the production of alternative sources of energy at four locations—the United States, Mexico, Yugoslavia, and the RS.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The work would start by rebroadcasting television programs via satellite from Serbia to the above locations. During the second stage, programs should be transmitted from the United States to locations in Yugoslavia and the Serb Republic.

Emphasis was laid on the construction of mass communications, radio and television networks, radio networks, and systems of networks, as well as on the construction of the post and telecommunications for the needs of the RS.

The U.S. firm's involvement in the construction of the telecommunications system will help eliminate the consequences of NATO bombing more quickly. The European community is expected to become involved in the whole project, for which it has already committed itself partially.

B-H: RS Seeks Intervention To Protect Sarajevo Serbs

LD2902191296 Belgrade SRNA in Serbo-Croatian 1756 GMT 29 Feb 96

[FBIS Translated Text] Sarajevo, 29 Feb (SRNA)—The Serb Republic [RS] Government today concluded an emergency session, at which deputies were supposed to discuss the meeting of joint civilian commissions, held yesterday and the day before in Sarajevo and Banja Luka, because of the unexpected and dramatic deterioration of the situation in the parts of Sarajevo to be handed over to the Bosnia-Herzegovina Federation.

The government was told about an incursion of Muslims from Breza to the Serb municipality of Ilijas and about an attack on Serb civilians who decided to leave the area after federal police and international forces arrived yesterday.

The government demanded intervention by representatives of the international community and IFOR [Implementation Force] who, in accordance with the Dayton agreement, should be protecting the Serb people who decided to stay in Sarajevo.

Attacks on Serb civilians and their property in Ilijas have called in question the Dayton agreement and such conduct by the Muslims contravenes the Dayton annexes referring to respect for basic human rights and freedom of movement.

The government briefed Michael Steiner, a deputy high representative of the international community, on the latest situation, saying it expected urgent measures to be taken in this respect.

B-H: Blockade Ends as Ilijas-Visoko Road Opens

AU2902162496 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 29 Feb 96

[Report by Fuad Cibukcic—recorded]

[FBIS Translated Excerpt] [Cibukcic] We entered Ilijas this morning at approximately 0830. The first impression is that most of the houses are standing. A great number of citizens of Serb nationality met us in the streets. Some of them are expressing their willingness to stay in the city, while others are loading their belongings on trucks and are preparing to leave.

At the moment, federal police patrols are deployed around the district, while PTT and Electricity Board crews are examining their installations in Ilijas. Allow me to use this occasion to say that around 1000, the Radio Bosnia-Herzegovina crew, accompanied by the federal police headed by Minister Hebib, traveled from Ilijas to Visoko via the notorious Cekrcici. Therefore, in a manner of speaking, we have ended Sarajevo's three-year blockade. Minister?

[Hebib] We have opened the city of Sarajevo not in a manner of speaking, but truly. We are now in Visoko, after first opening our police station in Ilijas. We were greeted there by numerous Ilijas citizens with whom we talked. We have drafted a truly comprehensive plan for taking over these areas which are being reintegrated into the city. After this, we immediately made use of the occasion and traveled to Visoko, thereby officially lifting Sarajevo's blockade. Sarajevo's blockade was lifted the moment we reached Visoko. The road is now open, and I hope that we shall now be able to travel freely along these roads. Incidentally, this is the first road to Central Bosnia.

[Cibukcic] After a 45-minute drive, traveling from Sarajevo via Vogosca, Semizovac, and Ilijas, we reached Visoko. Sarajevo's blockade is now a thing of the past. [passage omitted]

We now have Mr. (?Bezdrob) here with us. Could you tell us more about the ethnic structure of the forces that have just taken over in the region?

[(?Bezdrob)] Yes, I can. Ninety police officers will be working in Ilijas during the next period. Out of these, 50 are Muslims, 25 Serbs, and 15 Croats. Therefore, we have, more or less, satisfied the ratio from the 1991 census. This was one of our obligations, we have implemented it, and we shall continue to do so [words indistinct] Hadzici, Ilijas, Novo Sarajevo. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

B-H: Doboj Serbs Defer Talks on Croat-Bosniak Return

AU2902201196 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 27 Feb 96

[Report by Ozren Jorganovic]

[FBIS Translated Text] Temporary solutions for the return of refugees to the Serb Republic [RS] and the Muslim-Croat federation would create major problems on the ground and aggravate the refugee crisis was the conclusion of today's meeting between representatives of UNHCR [UN High Commissioner for Refugees] and Doboj municipality. Milko Gogic, assistant to the RS commissioner for refugees and humanitarian aid, emphasized that the necessary conditions for the return of Muslim and Croat refugees to the Doboj area are not yet present because the existential needs of more than 25,000 Serb refugees, who were forced to flee the Muslim-Croat federation and who have settled in the area, have still not been met. Drago Ljubicic, Doboj municipality president, said that the Muslims and Croats cannot come back to Doboj until provisions have been made for the return of the Serb refugees from Tuzla, Gracanica, Zavidovici, Maglaj, Vozuca, and other towns, especially now that a large number of Serbs are leaving Serb Sarajevo. In the circumstances, it is unrealistic to talk about the Croats and Muslims return to Doboj, said Ljubicic and added that this problem must be solved on the state level, not on the local level. UNHCR representatives, those in Zenica in particular, insisted on a meeting between the Doboj authorities and the Muslims. The Serb side said such meetings can be held when all the requirements have been met and when the topics that should and must be discussed at those meetings are defined by the RS Government.

B-H: SRS Leader Urges Border Between 'Two States'

LD2902221896 Belgrade SRNA in Serbo-Croatian 2116 GMT 29 Feb 96

[FBIS Translated Text] Banja Luka, 29 Feb (SRNA)—Nikola Poplasen, chairman of the Serb Radical Party [SRS] of the Serb Republic, today said that "Serbs have a future in this region only if they build their state and its independence with the aim of turning the line between the entities into a border between two states, not the other way round."

Poplasen told SRNA that there are indications that some persons on the Serb side are working on "the strengthening of Bosnia-Herzegovina, and we are not glad about it."

"Such moves are only weakening the border between the entities and strengthening Bosnia-Herzegovina, directly putting Serb national interests into jeopardy," Poplasen says.

He also mentioned increasingly frequent violations of the Dayton agreement by the Bosnia-Herzegovina Federation, the international community, and IFOR [Implementation Force].

B-H: Hebib Guarantees Innocent Serbs' Safety in Ilijas

LD2902225496 Sarajevo Television Bosna i Hercegovine in Serbo-Croatian 2100 GMT 29 Feb 96

[FBIS Translated Excerpt] Federation of Bosnia-Herzegovina police force members have taken control of Sarajevo's Ilijas municipality. This act marked the definitive lifting of the blockade on the Bosnia-Herzegovina capital, after almost four years of siege.

[Correspondent Mirza Buljubasic] [video shows the streets of Ilijas] At 0830 sharp a Bosnia-Herzegovina TV team and the federal police entered Ilijas, where a police station was opened.

[Begin Avdo Hebib recording, Bosnian Federation interior minister] All the people who have remained and want to live here, and feel that they will not be held responsible under the law, can stay freely. Our state guarantees them safety. The ethnic structure, according to the census, will be respected in Ilijas, too. We have many policemen of both Serb and Croat nationality who are doing their duty in a normal and professional way. [end recording] [passage omitted]

B-H: ICRC: 52 More Serb POW's Registered in Tuzla

AU2902220296 Paris AFP in English 1914 GMT 29 Feb 96

[By Mark Rice-Oxley]

[FBIS Transcribed Text] Tuzla, Bosnia-Herzegovina, Feb 29 (AFP)—Bosnian authorities are holding at least 52 more Serb prisoners of war in Tuzla than previously acknowledged, the International Committee of the Red Cross (ICRC) said Thursday [29 February].

The humanitarian aid organisation visited and registered the 52 POWs, being held in flagrant violation of the Dayton peace accords, over a period of three days earlier this week, the head of the ICRC's Tuzla office, Laurent Fellay, told AFP.

The additional prisoner count means that in all at least 129 Serb prisoners are still being held in the military wing of Tuzla's jail almost six weeks after all prisoners

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

not suspected of involvement in war crimes were due to have been released.

"We could revisit the ones we had registered before and we visited 52 persons more," Fellay said, adding that of the new prisoners visited, none were as yet facing war crimes allegations.

"The Hague Tribunal hasn't been notified yet of any of them," Fellay said. "All prisoners held in relation to the conflict should be released."

Earlier Thursday, an ICRC official in Belgrade told AFP that two other Serb prisoners had also been registered in the central Bosnian town of Zenica, bringing the total known to be held by the Bosnian Government to 131.

Six other prisoners suspected of involvement in war crimes are also being held, France Hurtubise said. Bosnian Serb forces meanwhile are still detaining 23 prisoners and five others held in connection with war crimes allegations, the ICRC spokeswoman said.

Bosnian Croat forces are holding 55 Bosnian Serbs, including 51 suspected of war crimes.

The issue of prisoner detention has repeatedly threatened to derail the Bosnian peace process. All POWs not suspected of involvement in war crimes were supposed to have been registered and released by January 19 under the Dayton peace accords.

But on February 1, the ICRC was admitted to the Tuzla jail to monitor 88 Serb prisoners still being held by the Bosnian Army Second Corps.

Bosnian authorities released 11 of the detainees two weeks later, but the remaining 77, who have been held since last September, have yet to be freed.

B-H: ICRC Delivers POW Letters From Tuzla to Doboj

AU0103122996 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 28 Feb 96

[FBIS Translated Text] The messages from the Serbs who are in Tuzla prison have been delivered to Doboj through the Red Cross. Ljubinko Djuric has a report on that.

[Djuric] Delegates of the Tuzla office of the International Red Cross Committee brought messages from the newly registered prisoners of war who have been in the Tuzla district prison since September 1995, to Doboj this afternoon. (Patrick Lewis) and his associates have brought over 200 [words indistinct] political prisoners to Doboj, among whom are several dozen of those who had not been registered with this international humanitarian organization.

Yesterday and today Muslim authorities allowed access to one of their largest prisons, and so, after a long time, [passage indistinct] from the standstill.

Mr. (Lewis) could not specify when they may be released, but he did say that he will talk to the Tuzla authorities about this tomorrow.

[Name indistinct], a delegate of the International Committee's Banja Luka office, also visited Tuzla today. He will take the Serb prisoners' messages from Doboj to Banja Luka. (?Most of these messages are from this town), but there are also [?messages] from Prnjavor, Kotor Varos, and other towns in the western part of the Serb Republic.

[Passage indistinct] tonight, since the families will undoubtedly be very eager to finally get messages from their loved ones; some of them will have heard from them for the first time.

B-H: Sarajevo Serb Refugees Arrive in Eastern Bosnia

LD0103093296 Belgrade TANJUG Domestic Service in Serbo-Croatian 0839 GMT 1 Mar 96

[FBIS Translated Excerpt] Bratunac, Srebrenica, Zvornik, 1 March (TANJUG)—Refugees from the municipalities of Serb Sarajevo which, according to the Dayton agreement, are to become part of the Muslim-Croat Federation, are today continuing to arrive in municipalities of the [Bosnian] Serb Republic adjacent to the river Drina [eastern Bosnia].

Srbislav Davidovic, president of the Bratunac municipal assembly executive committee, has told TANJUG that over 4,000 inhabitants of Hadzici have arrived in this municipality in the past two weeks. [passage omitted]

Sonja Rubez, chairman of the Zvornik housing commission, says that 3,000 Ilijas residents have moved into this town. The housing commission has settled about 100 families in apartments.

About 200 families are being accommodated at a reception center in the village of Petkovci.

About 2,000 inhabitants of Serb Sarajevo—1,000 of them from Ilijas—have arrived in the Srebrenica area.

B-H: Evacuation of Sarajevo Serbs To Continue

LD0103105196 Belgrade SRNA in Serbo-Croatian 1015 GMT 1 Mar 96

[FBIS Translated Excerpt] Sarajevo, 1 Feb (SRNA)—The operational headquarters for the reception and accommodation of Serb Sarajevo refugees last night [29

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

February] resolved to continue the evacuation of civilians and their property from Ilijas, Vogosca, Rajlovac, and the Centar municipality.

The latest incidents in the Serb village of Ljesevo in the Ilijas municipality, after the entry of Muslim police and a large number of civilians, have confirmed that the remaining Serbs' fear for their safety is justified.

The headquarters thus demands that Implementation Force and the international police ensure the safety of the remaining Serbs and facilitate the safe evacuation of the population and their property to the [Bosnian] Serb Republic.

The formation of convoys and their deployment according to listed priorities will continue to be carried out in Lukavica and Han-Derventa, while tomorrow a certain number of vehicles should be sent to the Hadzici municipality.

The headquarters announced that three buses were sent last night to Ilijas and one to Vogosca in order to evacuate the remaining population.

During the day, 85 trucks were sent to Ilijas, about 20 to Vogosca, about 10 to Rajlovac, 16 to the Centar municipality, and three to the village of Drazevice in the Ilijas municipality. [passage omitted]

The operational headquarters will, as it has done so far, make a big effort to evacuate the whole Serb Sarajevo population safely and bring them and their moveable assets to the Serb Republic.

It was also said that the presence of the media on the ground is essential to enable the truth to reach the world about the exodus of Serbs from Serb Sarajevo.

B-H: 'More Than 2,500' Sarajevo Serbs Enter Trebinje

AU0103114396 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 28 Feb 96

[Draga Grubic telephone report from Pale]

[FBIS Translated Text] Evacuation of the Sarajevo Serbs continues today in organized truck convoys accompanied by IFOR [Implementation Force]. Evacuation from Ilijas takes priority because the Bosnia-Herzegovina Federation police will enter the suburb tomorrow. The fear of the Sarajevo Serbs is not without foundation and even the international police forces were informed that the Muslims returning to Vogosca openly threatened the Serbs who had not been evacuated in time.

The Sarajevo refugees are mostly headed towards towns in the eastern part of our country. Municipal headquarters for reception and accommodation of refugees were formed to that end. Around 1,000 Sarajevo inhabitants found shelter in Visegrad. The Srebrenica inhabitants announced they would accommodate 500 Ilijas refugees, 55 Hadzici Serbs came to Bratunac today, while another four buses from that part of Serb Sarajevo are expected to arrive tonight. The biggest number of refugees were accommodated in Trebinje, more than 2,500 of them, while another thousand Serbs who left their homes in protest of the implementation of the Dayton accord and the Croat-Muslim Federation authorities in Serb Sarajevo were accommodated in the remaining five eastern Herzegovina municipalities.

B-H: Stolac Leadership Statement on Problems in Stolac

LD2902225596 Mostar Radio-Televizija Mostar Radio in Serbo-Croatian 1500 GMT 29 Feb 96

[FBIS Translated Text] We received the following statement from the Stolac municipal leadership today:

With reference to the latest manipulations concerning the return of refugees in line with Dayton and Washington agreements, we are obliged to say the following:

1. Except for the fact that a symbolic and pompous agreement was signed in Stolac on 4 February 1996 on the beginning of the return of Bosniaks, this project has not yet made any progress, at least as far as Stolac is concerned.

The only novelty regarding Stolac is the fact that unidentified groups destroyed more than 200 Bosniak and Serb houses after the Dayton agreement, and the houses are still being destroyed.

We have learned from reliable sources that these unidentified groups are in the secret police of the HVO [Croatian Defense Council].

2. The most responsible Croatian politicians, as well as Croat politicians in Bosnia-Herzegovina, have recently been saying—of course, incorrectly—that considerable results have been achieved everywhere except in Bugojno. In this way they are creating an unrealistic and wrong impression that Stolac is not a problem but Bugojno is.

For the sake of comparison we wish to state some facts:

a. 2,000 Croats live in Bugojno; 16 half-Bosniaks live in Stolac [as heard].

b. In Bugojno, the Catholics are leading their religious life without threats in the intact church; in Stolac there are no mosques, and there used to be 10.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

c. Any Croat can go to Bugojno whenever he wishes and stay for seven days; a Bosniak can go to Stolac only rarely and even then only after enormous procedure.

Let us not talk about Capljina: Bosniaks are not allowed there even on Bairam. Travnik, where Croats can return without any limitations, is not worth mentioning.

3. We are very unhappy about the attitude of our media and some politicians who are creating space for half-truths and misinformation by their silence and anemic behavior, we would even say a servile attitude towards Croatian policies. It is not surprising that Croatia—since recently increasingly openly a Greater Croatia—is swiftly changing its position from a loser to a triumphant power. Its triumph culminates in the audacity of the masked ball in western Mostar where [an effigy of] Hitler burns [the effigy of] Koschnick down.

4. We are bitter about the attitude of Bosnia-Herzegovina television toward our problem. On several occasions we have tried to deny the misinformation and tell the truth on our channel. Our television remained deaf so it is not surprising that the local public, since the international public is not very interested, does not know about the latest crimes still happening in Stolac.

5. Finally, it is our duty to inform the public that, regardless of the unfortunate and tragic circumstances and our being handicapped by these obstructions, we shall continue to fight for truth because we believe that only with truth one can achieve justice and ensure a dignified return of all.

This was the statement by the Stolac municipality leadership.

B-H: OSCE Opens Office in Banja Luka

AU0103130996 Paris AFP in English 1233 GMT 1 Mar 96

[FBIS Transcribed Text] Banja Luka, Bosnia-Herzegovina, March 1 (AFP)—The Organisation of Security and Cooperation in Europe (OSCE) Friday opened its first office in Bosnian Serb territory, an OSCE official said.

Speaking after talks with Serb Prime Minister Rajko Kasagic, Robert Frowick said the OSCE office in the northern town of Banja Luka would serve as a "regional centre" for its operations overseeing elections and observing the peace process in Bosnia.

The "OSCE puts a very high priority on developing increased contacts with Banja Luka and Republika Srpska," he said, refering to the Serb name for the Serb entity within the Republic of Bosnia-Herzegovina.

Kasagic said the Serb Republic was determined to respect the Dayton accord which led to peace in Bosnia "particularly its rules on elections and human rights."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Croatia: E. Slavonia Serbs Prepare for UNTAES Arrival

AU0103124396 Beli Manastir Srpska Televizija in Serbo-Croatian 1920 GMT 28 Feb 96

[FBIS Translated Excerpt] The Executive Council of the Municipal Assembly of Beli Manastir held its 81st regular session today. Among the items on the agenda were several reports and proposals concerning economic and other activities.

This being the period of intensive preparations for the establishment of the transitional administration in the Srijem-Baranja province, Administrator Klein's recent visit was also discussed, as were the measures and activities prior to the arrival and deployment of UNTAES [UN Transitional Administration for Eastern Slavonia] in Baranja.

The recent visit of the administrator of the Srijem-Baranja province, Jacques Klein, to Beli Manastir is a significant step forward in the process of establishing the UN transitional administration and of complete normalization of life in this area, particularly in view of the fact that Administrator Klein expressed the intention, in accordance with the proposals and ideas of the authorities here, to draw up plans for the development and revitalization of the economy, for which great material assets have been appropriated.

The report on Klein's visit, which was submitted to the members of the council by the president of the Municipal Assembly of Beli Manastir, Slobodan Milovac, states that Administrator Klein agreed to the initiative of the Baranja authorities for UNTAES to use Baranja food capacities, and that a foreign capital share in the sugar beet harvest and resumed operation of the Beli Manastir sugar refinery was agreed upon with head of civilian affairs, (Gerard Fisher).

With regard to the fact that the next step in the establishment of the transitional administration is the arrival and deployment of UN troops, members of the Executive Council received a report from the committee for the preparation of the facilities and the deployment of the UNTAES members. It is the obligation of all the people who hold managerial positions in the public utility services and service trade to prepare a complete program for the accommodation of the UN forces by next week. Moreover, it was agreed that by the next session specific measures and activities would be determined concerning the preparations for adequate activity of shops and catering facilities in view of the greater demand for goods and services that will arise with the arrival of the UNTAES members.

It was decided that the citizens will have the right to rent their vacant housing facilities, but also that it is their obligation to have the UNTAES members registered with the bodies in charge, and to pay taxes to the municipal revenue service. Even if the housing facilities are rented free of charge, the [word indistinct] must pay the minimum tax base, which will be determined by the municipal revenue service. [passage omitted]

Croatia: Granic on Romanian, European, NATO Ties

LD2902194996 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 29 Feb 96

[FBIS Translated Excerpt] Mate Granic and Teodor Melescanu, the Croatian and Romanian foreign ministers, met at Zagreb airport this afternoon. After the talks the ministers made statements for the press. Our reporter Andjelko Perincic was there.

[Reporter] Croatian Minister Granic was the first to brief the journalists on the course of the talks.

[Begin Granic recording] We discussed bilateral relations, the implementation of the Dayton agreement, and numerous initiatives for regional cooperation in Europe. Bilateral relations have been improving, both political and economic, especially lately. I told Minister Melescanu about the latest round of talks in Rome and Split, and expressed optimism on the consolidation of the Federation, especially the agreement on Mostar and the latest agreements signed in Split.

As far as regional cooperation is concerned, the Republic of Croatia supports all forms of such cooperation, as well as the normalization of relations with its neighbors — Belgrade in particular — but Croatia will never again join any association. Our main aspiration concerns membership of European organizations — the Council of Europe, the EU, Partnership for Peace, for example — long-term orientation toward political, economic, and military cooperation with West European institutions, the EU, and NATO. [end recording] [passage omitted]

Croatia: Gen Cervenko Receives German Army Commander

LD2902131196 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 29 Feb 96

[FBIS Translated Text] Relations between the Croatian Army and the German Bundeswehr were discussed today by General Zvonimir Cervenko, the Croatian Army's chief of General Staff, and General Hartmut Bagger, inspector general of the Bundeswehr.

A German army delegation is to visit its Implementation Force [IFOR] troops stationed in Split today. In a

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

statement after the meeting, General Bager thanked Croatia for the support given to German IFOR troops and said that relations between the Bundeswehr and the Croatian Army will be fully developed once the peace process in the region has been implemented.

General Cervenko welcomed Germany's participation in IFOR, and said that the Croatian Army has fulfilled all its obligations towards the peace implementation forces.

Croatia: Striking Rail Workers Agree to Wage Increase

AU2902141196 Paris AFP in English 1336 GMT 29 Feb 96

[FBIS Transcribed Text] Zagreb, Feb 29 (AFP) — Croatian rail workers went back to work Thursday [29 February], ending a seven-day strike that had all but halted rail traffic in the country, a union official said.

Strikers returned to work after union officials agreed to a government offer of a 30-percent increase in salaries, Zlatko Pavletic said.

The money would be paid out of existing assets, expected profits and changes in the salary structure, Pavletic said.

He described the deal as a "compromise".

The union had asked for a 100-percent increase in wages all round at the state rail company, and insisted that the higher wages should be paid for by new money injected by the government.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

FYROM: Assembly Chairman Reshuffle Procedure Viewed

AU2902204396 Skopje MIC in English 29 Feb 96

[FBIS Transcribed Text] "With the election of the new government, my party goes into opposition. As I wish to remain with my party and my parliamentary group, I will quit the function of assembly chairman. I will explain the reason for my resignation in writing, and I would like you to accept it at the first next session."

This is how Assembly Chairman Stojan Andov announced his resignation at last week's parliamentary session, immediately after the election of the new government, which no longer has members of the Liberal Party. The MPs will state their opinion in relation to the resignation at the session scheduled for the sixth of next month, as agreed at yesterday's meeting of the assembly presidency. We have learned that the resignation is irrevocable, which means that it will only be explicated, and then, accepted without debate. Sources close to the assembly presidency say that in the discussions on the resignation, the PDP [Party for Democratic Prosperity] representative expressed his parliamentary party's view that Andov's departure from the function is not necessary, that is, that he should continue carrying out this function. The PDP feels that, in the long run, it will be in the function of the development of democracy, "as we should gradually learn to accept that a leader of an opposition party can be assembly chairman." The representatives of the Socialist Party and the SDSM [Social Democratic Alliance of Macedonia] disagree on this point.

As we could not reach the assembly secretary and deputy secretary yesterday or on Tuesday [27 February], (one was constantly busy, while the other could not give out any information without permission from his superior) to ask them about the official interpretation of the Rules of Procedure pertaining to the election of assembly chairman, below we present the informal explanations and interpretations of the Procedure. According to them, a candidate for assembly chairman can be nominated by a parliamentary body — the commission for elections and appointments or a group of at least 20 MPs. A majority vote of the total number of MPs, that is to say 61 votes, is necessary for an appointment. The same number of votes are necessary for a dismissal, that is to say for acceptance of the resignation of the assembly chairman.

It is explained that at the session when Andov's resignation is "accepted," it will not be necessary to vote for a new chairman. This will be left for one of the next session, and until then, the sessions will be chaired by one of the vice presidents. Andov will carry out his function until the moment his resignation is accepted. Theoretically, it is possible to have one or more candidates for the position of assembly chairman. This question has still not been discussed by the partners with parliamentary majority, as it has also not been agreed to which coalition participant will be given that function. It is claimed that the biggest parliamentary group should not necessarily have the right to "cover" this empty position, that, in fact, it is a question of agreeing to whom it will "belong." According to unofficial sources, the PDP parliamentary group intends to nominate its leader for this position.

The old and new coalition partner PDP is using this newly- developed situation as an opportunity to fill in its presidential position in the Assembly, which was left empty in February, last year, following the developments in Mala Recica. The presidential position, according to the PDP, will be carried out by Dzeladin Murati, who, as a reminder, occupied this position in the previous mandate.

FYROM: Gray Economy Persists Despite State Actions

AU0103102296 Skopje NOVA MAKEDONIJA in Macedonian 29 Feb 96 pp 1-2

[Commentary by S. Kiridzievska: "Damage of $500 Million"]

[FBIS Translated Text] Is there a parallel economy in Macedonia [The Former Yugoslav Republic of Macedonia — FYROM]? This conclusion is automatically derived from the contradiction that exists between the official data and the obvious situation. The Ministry of Finance claims that the situation concerning the planned and the accomplished assets for the last year is unequivocal. The state treasury is full and the plan has even been exceeded. The plan for 1995 was to end the year with a total of 43 billion and 834 million denars in the budget, but this figure was greater by up to 1 million. This would not have been strange if we had not witnessed outrageous financial discipline in evading taxes in the past period, particularly in sectors that bring in most of the budget, like oil, tobacco, coffee, and alcoholic drinks. The budgetary deficit was said to be the only culpable factor in the delay in paying pensions, benefits to the poor and to workers facing redundancy. The extensive disharmony in the state treasury was the direct reason for former minister and present deputy premier Jane Miljovski to fight to abolish annual holiday pay, and even to ask for the removal of benefits for hot meals and transport. The lack of budgetary resources led to minimum investments and credits being taken for the tiniest investment in the infrastructure.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

So, in spite of the allegedly clear situation, it is logical to discuss the existence of the gray economy in the state. So far, nobody has tackled the question of how much it really costs Macedonia, but according to unofficial data it is between $300 and $500 million, which is a sum that not a single international financial institution has offered (nor will it offer) as credit. Due to the evasion of customs and other taxes, Macedonia has become a state in which retail prices are lower than gross prices. All economic branches, without exception, have been affected by the destructive power of the gray economy. Logically, if somebody imports cheaper goods and declares a lower rate than the regular one, if he reports a smaller quantity than he really imports, then he automatically lowers the price on the market and he is a disloyal competitor to everybody who has done the same by a regular procedure. In spite of the great efforts that are allegedly being made by the state, these goods have been legally, and without any problems, flooding the Macedonian market for years.

Economic experts often say that the gray economy can have positive effects, particularly at times of economic crisis. It is true, because it provides a living for a larger part of the population, it lowers social tension, and it represents a new base for further overall economic development. There is some truth in all this, but only within a short time frame. Matters have gone beyond all limits with us, and the black side prevails: On the one hand the gap and poverty among the population is rising and on the other hand the cutting-off of taxes and contributions for the state's and communal needs impoverishes the superstructure.

Deceptions like the "gray economy generates poverty" suddenly stopped when in the first half of last year drastic shortfalls were noted in the state treasury. It became clear that this was serious when in March last year, for instance, only around 30 million denars in taxes were collected from tobacco products, compared to the same month in 1994, when around 70 million denars had been collected. Hardly anyone disputes the fact that in 1994 and 1995 there were twice or even three times as many such shortfalls. Throughout this period the black market was blooming in the country. Before the eyes of the whole Macedonian public the smuggled cigarettes, coffee, and alcoholic drinks were largely sold, lining the pockets of individuals and emptying the state coffers.

During last summer some high-ranking state officials made a big fuss, announcing a broad front against the gray economy. The points of engagement were more or less located, and the state was finally asked to turn over a new leaf and stop protecting the poor by fostering illegal activities. The announcements stated as follows: the completion of legal regulations, the formation of special commissions, preparation of a general strategy that will consist of a number of projects, the drastic intensification of the penal code, and inspectors' controls. The announcements were followed by an action which, because of its short-lasting effects, made a "cosmetic" rather than a substantial impression. In this euphoria the heads of the deputy secretary for foreign affairs, of the director of the department for public income, and the chief labor and market inspector were "cut off."

After an armistice of a couple of months we can conclude with regret that this long-announced and long-awaited state action has failed. To be honest, the "arguments" mostly affected the small street marketeers and smugglers. In cleaning the green markets it was forgotten that they just reflect much more serious problems. Recently, at first shyly but now publicly, the street marketeers have returned, selling the well-known assortment. At present, there is no place for the street marketeers on the green markets, but they are around them and they disappear only during police and inspectors' patrol. If small-scale smuggling is at stake, perhaps one could turn a blind eye. However, whole convoys of smuggled cigarettes are lost in the state, oil tanks disappear, taxes are not collected, and still only 95 percent of the big companies pay taxes. Once upon a time Minister Miljovski said that the aforementioned sometimes try to avoid taxes, but they are more easily controlled, because the data are clearer. Powerful individuals, poor state. If this trend continues, it is perfectly clear that this year it will be equally difficult to collect taxes. They are either too high or there is no proper way to do it. In the last couple of years some changes in the laws on taxes were made. The alleged aim was to come closer to Europe. Unfortunately, they remained on paper and we are still among the countries with the highest taxes. Perhaps this is the reason why the gray economy cannot be defeated. Even those with little expertise in economics know that this trend flourishes in precisely those countries with the highest taxes. The challenge is even bigger knowing that the earnings are enormous.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Poland: Russia's Primakov To Visit Warsaw 14-15 Mar

WS2902143396 Warsaw SZTANDAR in Polish 29 Feb 96 p 2

[Article by Wojciech Luczak: "Primakov's Visit to the Banks of the Vistula; No Agreements"]

[FBIS Translated Text] New Russian Foreign Minister Yevgeniy Primakov is to spend two days (14-15 March) in Warsaw. The agenda is still being drawn up, but it has already been decided that he will meet with President Kwasniewski, Prime Minister Cimoszewicz, Foreign Minister Rosati, and the speakers of the Sejm and Senate. Well-informed sources say that Primakov will most probably avoid the topic of the "corridor between Kaliningrad and Belarus." The new head of the Russian diplomatic service does not want to antagonize Poland from the very start. He wants to devote more time to all of the countries of Central Europe than did his predecessor, Andrey Kozyrev. Russian diplomats are said to have been taken aback by the concept of building an extraterritorial highway across Poland that was formulated at the Kremlin. Thus far, only an air corridor connecting Kaliningrad with Grodno via Suwalki has been considered.

Moscow is prepared for the fact that Primakov's talks on the banks of the Vistula will be dominated by the topic of the enlargement of NATO to the east. No agreements are provided for. A trade agreement on military and technological cooperation that has been prepared will have to wait for initialing. Primakov's visit is to lay the ground for the visit President Kwasniewski will pay to Moscow on 10-11 April.

It is rumored that the importance Russia attributes to bilateral relations will be demonstrated by the appointment of current First Deputy Foreign Minister Sergey Krylov (who recently visited Poland as Boris Yeltsin's personal envoy) to be the new ambassador to Poland. This appointment would terminate the nearly six-year mission of Ambassador Yuriy Kashlev.

Poland: Foreign Minister on Policies, Russia

WS2902141096 Warsaw GAZETA WYBORCZA in Polish 28 Feb 96 pp 10-11

[Interview with Polish Foreign Minister Professor Dariusz Rosati by Anna Bikont and Edward Krzemien; place and date not given: "No Changes in the Diplomatic Service"]

[FBIS Translated Excerpt] [GAZETA WYBORCZA] [Former Foreign Minister] Professor Krzysztof Skubiszewski commented on your appointment by saying: "Despite earlier declarations, President Kwasniewski did not hand over the Ministry of Foreign Affairs [MSZ] to someone who is internationally recognized, to someone who is truly nonaligned."

[Rosati] I find it difficult to question the opinions of a former minister and an expert on international law. I agree that I was not well known in diplomatic circles, although I could retort that neither was Professor Skubiszewski recognized among economists. But I am nonaligned, although I do not hide the fact that I was a member of the Polish United Workers Party [PZPR]. [passage omitted]

[GAZETA WYBORCZA] Postcommunist, social democrat, liberal—which of these defines you most accurately?

[Rosati] Neither was I ever a communist, nor did the PZPR ever claim to be a communist party.

[GAZETA WYBORCZA] Post-PZPR, social democrat, liberal....

[Rosati] Politically speaking, I am a social democrat, yet in economic terms I am a liberal. I think that an educated economist who has a deep respect for learning cannot fail to see that the only effective economy is a liberal one. I have social democrat sympathies, which means I am sensitive to social issues. That sensitivity, however, should not be used to manipulate and spoil the economy. Social democratic parties generally claim that this type of sensitivity is displayed by lowering heating fuel prices and house rent, that the rich should pay high taxes and the poor very low ones. Such policies are detrimental to the economy and have a negative effect on the groups they want to help most.

[GAZETA WYBORCZA] These views contradict the policies of the party that nominated you foreign minister and that had earlier singled you out for the posts of deputy prime minister and minister of finance.

[Rosati] It seems I was selected for other virtues. I refused to join the Social Democracy of the Republic of Poland because I did not see a differentiation between economic and social issues in its platform. Neither was there a settling of accounts with the past. This is something I still see is lacking.

[GAZETA WYBORCZA] In his Sejm policy address, Prime Minister Wlodzimierz Cimoszewicz announced that he would continue to pursue the policies of the two previous Cabinets—Pawlak's and Oleksy's. Yet you have announced that you will continue what Skubiszewski began six years ago.

[Rosati] A continuation of the policies launched in 1989 is dictated by raison d'etat. I am in the comfortable

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

position that not only the coalition shares my views. They conform also with the views of the parliamentary and, I believe, the extraparliamentary opposition.

[GAZETA WYBORCZA] Yet different opinions are also represented in the government. The president's aide is Wojciech Lamentowicz, the prime minister's aide is Wlodzimierz Konarski. In 1994 both approved the famous report by the Sejm subcommission on Foreign Ministry cadres that Skubiszewski described as an attack launched on Polish independence policies. Do you agree with the presidential aide or your predecessors at the MSZ on this issue?

[Rosati] Each statesman chooses the advisers he thinks most appropriate, and it is not for me to comment on the president's or the prime minister's aides. I only read about the report in the press. As for staffing decisions at the MSZ, I am fully sovereign. Professionalism will be the basic criterion. Staffing policies also require continuation. There will be no purges. Many advisers have already approached me, telling who should be sidetracked first.

[GAZETA WYBORCZA] Were these advisers from within the MSZ or from beyond?

[Rosati] Both. They were people who feel wronged. Some of them were sidetracked in the years 1989-90. The worst possible thing to do would be to start everything anew and move in the opposite direction. We do not have many people we could send on diplomatic missions. This year alone we have 160 vacancies below the ambassadorial level, but so far we have been able to find only 100 candidates.

[GAZETA WYBORCZA] Among them [former Justice Minister] Jerzy Jaskiernia, whom you wanted to send as ambassador to Canada?

[Rosati] Mister Jaskiernia is an outstanding expert, a professor of constitutional law. He has published books on Canada and has diplomatic experience.

[GAZETA WYBORCZA] Thus, the old Polish People's Republic [PRL] principle of sending party members who had been sidetracked to diplomatic missions is being reinstated?

[Rosati] The punishment should fit the crime. It is true that his promising professional career has strayed off course. The fact that he is no longer justice minister is partly his own fault, but some of his colleagues are to blame as well.

I believed Jaskiernia should resign as minister, but this does not mean he should be sentenced to political death. Not to offer him any job? Let him go into business? That would be a waste.

[GAZETA WYBORCZA] But the credibility of Poland is at stake, not a defense of political views. As a citizen, I would like to feel that the foreign minister is honorably representing my country and that his staffing decisions promote professionals and individuals endowed with social trust. But my hair is standing on end, and I cannot help thinking that the PRL is returning.

[Rosati] Let us go back to the report. It indicates that there is a group of people who find the ambassadors appointed by Skubiszewski questionable because of who they are married to or because of their citizenship. Half of the nation considers [former] Prime Minister Oleksy credible, the other half thinks the opposite. I do not think this is likely to change, regardless of what happens. The same applies to Mr. Jaskiernia. There are no rational arguments in such cases; this is an issue of beliefs and personal convictions.

[GAZETA WYBORCZA] Your first staffing decision was to appoint Eugeniusz Wyzner as your first deputy. He is considered to be a skilled and professional diplomat. Yet back in the 1980's he was deputy secretary general of the UN, which required the USSR's approval and guarantees that he would remain faithful to Moscow. Is that appointment a good signal for the West?

[Rosati] You should ask [former Foreign Minister] Olechowski that question, he was the one who employed Wyzner as under secretary of state. What else could I have done considering I am an advocate of continuation?

[GAZETA WYBORCZA] You dismissed Under Secretary of State Robert Mroziewicz from the post of first deputy foreign minister, replacing him with Wyzner.

[Rosati] Because Wyzner was the acting head of the ministry. I did not know Mr. Mroziewicz, whereas Mr. Wyzner I had met informally. Entering a new structure, a difficult terrain, I thought it was a good idea to appoint him my deputy. Wyzner was deputy secretary general of the UN also at a later time, when the consent of the USSR was no longer required. He won credibility in the eyes of the international community.

[GAZETA WYBORCZA] Did you receive a list of ambassadorial candidates from the Polish Peasant Party? [Former Foreign] Minister Bartoszewski received such lists.

[Rosati] I often announced I was expecting suggestions of proper candidates, but to no avail.

[GAZETA WYBORCZA] Can we expect further former ministers to be sent to our embassies?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Rosati] Perhaps. From previous governments also. Our ambassadors should be proper emmisaries of Polish interests and have the capability of performing well on a given territory.

[GAZETA WYBORCZA] Russian Ambassador to Poland Yuriy Kashlev said after the victory of the Democratic Left Alliance candidate in the presidential elections that people with a better understanding of the Russian mentality have risen to power and that this will improve relations between Warsaw and Moscow. Soon afterwards, during Kwasniewski's visit to Germany, his aide Wojciech Lamentowicz met with leading German reporters and announced that our policy toward Russia would change.

[Rosati] I do not know what Mr. Lamentowicz meant. I think the temperature of these relations should warm up; they should be much more intense. Before, there was a chillness at the top levels.

[GAZETA WYBORCZA] Kwasniewski claims, however, that it is no use talking to Moscow on the topic that interests us most—namely, security—over the next few months preceding the presidential elections.

[Rosati] This does not necessarily have to be so. We have to be obstinate and persistently keep repeating that we will not cease in our efforts to join NATO. The Russians do not have a right of veto and they know it. We also need to be patient because convincing Russia and the West may take time.

[GAZETA WYBORCZA] Sergey Karaganov, one of Yeltsin's aides, recently said during the roundtable talks between Russia and Poland in Warsaw that Russia has already launched a diplomatic offensive and that 80 percent of the Western capitals currently support the view that there is no room for Poland in NATO.

[Rosati] That statement was an element of the offensive, of the accomplished facts method. Our assessment is different. Neither is the West inclined to follow Russia's instructions, nor can Russia be thought to be clinging desperately to its view. Russian diplomats are sufficiently experienced to prepare for all possible scenarios, including Poland's joining NATO. We are currently working out a strategy for negotiating with Russia.

[GAZETA WYBORCZA] Russia's new foreign minister, Yevgeniy Primakov, is due to visit Warsaw in mid-March. Shortly afterwards, Kwasniewski will visit Moscow. What can they achieve?

[Rosati] The worst situation is when you do not talk. We should be more inventive in presenting Russia with arguments of why Polish membership in NATO will not hurt it, why in the end Moscow can benefit. We will try to convince the Russians that making concessions to the West may pay off on other fronts—for example, in Asia and the Pacific, which are at least equally important as Europe for Russia. We will try to show them this global perspective. I have no doubts whatsoever that Mr. Primakov will instantly applaud. We have to be patient.

The president will go to Moscow with the message that Poland is the last state in the world that would want bad relations with Russia and that our membership in the European structures does not imply that Russia would be isolated or that new barriers would appear.

[GAZETA WYBORCZA] The Russians, however, are expecting us to make certain concessions. Karaganov argues that it is in Poland's interest to join the EU and be friends with Russia, but NATO "is an unrealistic prospect." Prime Minister Cimoszewicz said in his Sejm policy address that Poland is aspiring to join the OECD, the EU, and NATO—in that order. Is the concurrence with Karaganov's statement a sheer coincidence?

[Rosati] You misunderstood. The prime minister stressed the importance of both strategic objectives, without placing one before the other: the EU and NATO or NATO and the EU. The two processes are parallel. I wish to repeat: There are no changes in our foreign policy.

Karaganov refuses to acknowledge our historical experiences and to recognize that we do not want to join NATO to threaten Russia. Upon entering NATO, we want to change the character of that organization. We do not want to join an alliance targeted against Russia, but one that, apart from implementing defense objectives, would cooperate with it.

[GAZETA WYBORCZA] Problems have recently arisen also on our road toward joining the OECD.

[Rosati] I do not know how related they are to recent developments in Poland. It seems they were unrelated, but they were in a way. We put in a huge effort over the past two weeks to reverse these disturbing trends.

[GAZETA WYBORCZA] Are you not afraid that the Polish Peasant Party will stand in the way of amending internal legislation? A liberalization of the law on purchasing real estate is a prerequisite for OECD membership.

[Rosati] Nobody is hiding the fact that there are differences of opinion on the issue. I am observing this with anxiety. Differences of opinion on economic issues keep cropping up. As for the OECD, I believe that the necessary package of laws will be passed by the Sejm.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I hope the entire parliament will demonstrate its sense of responsibility. [passage omitted]

[GAZETA WYBORCZA] You are an advocate of a strong MSZ that would coordinate the state's overall political activities. You are planning to withdraw the government projects of reforming the economic center and back out of the initiative of creating a committee for European integration outside the MSZ. How does the heightened activity of the Presidential Chancellery fit in with your plans?

[Rosati] Things were different in the past. Perhaps because the MSZ was tied to another political center the Office of the Council of Ministers naturally tended to take over some of the ministerial functions. As a result, it was impossible to do many things: Neither the MSZ was capable of doing anything within the Cabinet, nor did the government have any influence on the MSZ. Those obstacles do not exist any longer. The ministers and the prime minister only have to be reminded that the MSZ still exists and that cooperation is possible.

Poland: Visegrad Group: Advantages to Joint EU Membership

96EP0028A Warsaw RYNKI ZAGRANICZNE (EU supplement) in Polish 27 Jan 96 No 12, p III

[Article by Professor Pawel Bozyk, director of the Institute of International Economic Relations: "The Visegrad Group Countries: Together or Separately Into the European Union?"]

[FBIS Translated Text] The idea of closer economic cooperation within Central Europe first surfaced as far back as the 1980's, with the initiators including Austria and Yugoslavia. The European Community urged agreement on this matter. Over time, however, the makeup of the countries supporting this initiative has been changing.

It was only in February 1992 that the first agreement was reached; in the Hungarian city of Visegrad, Poland, Hungary, and Czechoslovakia signed a declaration defining common economic goals and ways of achieving them; one of them was establishing the Central European Free Trade Association (CEFTA). Formally this agreement took effect on 21 December 1992 in Krakow, where Poland, Hungary, and Czechoslovakia signed an appropriate accord. They pledged themselves to abolish, as of 1 January 2001, customs duties on their mutual trade in all industrial products, and to allot each other certain quotas on trade in agricultural and food commodities. In this connection the principle of symmetry and equivalence was adopted. At the end of April 1994, the Additional Protocol to the agreement of 21 December 1992 which called for shortening the deadline for establishing the free trade zone to 1 January 1998, that is, by three years, was signed. The provisions of that protocol became binding on Poland, Hungary, the Czech Republic, and Slovakia as of 1 July 1994.

The Chances for Mutual Integration

The question of whether the CEFTA can be the embryo of future integrative ties within the Visegrad Group, that is, whether the customs preferences will be followed by introducing additional instruments to promote mutual integration, is, for the time being, difficult to answer unequivocally.

It seems that, owing to both political and economic considerations, the integration of Central Europe cannot develop in terms of its being an alternative to the European Union. Politically, the Central European countries are oriented toward the West. To some extent Slovakia, which is exploring a place of its own in developing economic ties with the East, is an exception.

From the economic standpoint, the countries of the Visegrad Group desire to develop their ties with the West principally as a way of accessing up-to-date manufacturing technologies. Nearly all the countries in this group are, moreover, deeply in debt to the West, which enhances their interest in expanding exports to the creditor countries.

At the same time, strengthening mutual economic ties within the Visegrad Group may be useful for several reasons.

First, so-called small integration can promote the future membership of the Visegrad Group countries in the EU. During the transition period (association with the European Community) it can foster economic growth by broadening the markets for the industrial products manufactured in the concerned countries. To be sure, they cannot cope with the competitive quality requirements of the highly industrialized countries, but they may perform a useful function to a quite satisfactory extent. Of course, as suitable capital and technological possibilities arise, such production would be restructured to allow for both the needs of the group itself and those outside the group. In other words,"small" integration would, during the transition period, promote the final processing of goods manufactured by somewhat outdated technologies within the Visegrad Group, goods that could be sold not only on the domestic market but also on the markets of other member countries of the group. Of course, a rapid restructuring of industry and its technological reorientation would be a better solution. But that is impeded by the limited investment resources of these countries.

Second, "small" integration, based on coordinating the activities of Poland, Hungary, the Czech Republic, and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovakia on the EU market, would eliminate their mutual competition on that market and thereby strengthen the combined market standing of these countries. When acting separately, none of the Visegrad Group countries is able to influence the EU market in any way; but when these several countries act jointly, that, in itself, constitutes a significant potential.

Third, "small" integration could, at the same time, facilitate the growth of economic ties between the Visegrad Group and the other countries of Central Eastern Europe, principally by coordinating the foreign policy of the mutually integrating countries, particularly price, treaty, currency-financial, and other policies. This would concern, chiefly, relations with the former Soviet republics, including Russia, Ukraine, and the Baltic, Caucasian, and Central Asian countries.

The Visegrad Group countries meet nearly all the requirements for the development of "small" integration. Their political, economic, and social systems are similar. They have a developed economic infrastructure, meaning systems of rail, road, telephone, aviation, water, and other connections. This is due to their territorial proximity and common history of statehood. Moreover, the levels of economic growth in these countries are similar as well. The difference between the highest per capita income (Czech Republic) and the lowest (Poland) ranges within 40 percent, meaning that it is smaller than the corresponding differences among the countries of the EU. Moreover, their technology levels also are not too different; Hungary is the best positioned and Slovakia the worst.

Altogether, the economies of the Visegrad Group countries complement each other more than they do the EU. This concerns principally the complementarity of industrial subsectors. Poland is rich in raw materials (black and brown coal, sulfur, copper, and other nonferrous metals). Hungary has bauxites and a well-developed farming and food industry. The Czech Republic and Slovakia are resource-poor, but some of their processing industries are at a relatively high level within the Visegrad Group, and during the transition period they can boldly compete with other countries (provided that preferential terms for mutual trade are afforded).

In the mutual relations of the Visegrad Group countries so far, trade in raw materials and processed products has predominated, while their reciprocal demand for subassemblies, assemblies, and spare parts has been minimal. This means that the opportunities for intraindustry complementarity remain nearly unutilized. Seen from this standpoint, the Visegrad Group countries are not exploiting the potential for mutual integration. This has been markedly impeding the growth of mutual trade ties, and in the years 1990-93 it resulted in a reduction in the share of that trade in the overall volume of trade of the individual countries.

When thus viewed, the current level of mutual trade within the Visegrad Group is such that its potential is far from being tapped. This cannot be done automatically anyhow, especially in the long run. The establishment of the free trade zone is to be regarded as a positive measure promoting the development of mutual ties. But in itself, it is not sufficient to spur major changes in this domain. This is because a faster growth of mutual trade also requires changes in commodity structure, such that the share of highly processed manufactured goods, assemblies, subassemblies, and parts would increase and coproduction would develop.

This requires, chiefly, extending the coordination of foreign economic policy to para- and non-tariff restrictions. A useful measure would be to establish a customs union, and subsequently a common market, for Central Europe. Also to be considered is the introduction of a monetary and payments union. During the existence of such a union the member countries of the "small" integrative grouping would have to liberalize their mutual trade by abolishing duties, quotas, and other forms of restrictions, improving the competitiveness of their economies, and preparing themselves for the internal convertibility of their national currencies.

That would definitely promote the future membership of the Visegrad Group countries in the EU, for this would be a joint laying of foundations for such membership. The growth of this "small" integration, however, at present is contingent on not only the potential economic advantages but also, and primarily, the political will of the Visegrad Group countries, which is not always backed by a common consensus.

Preferences for Membership in the EU

The priority goal of the Visegrad Group countries is, however, to join the EU as soon as possible. Membership in the EU would potentially yield numerous advantages to these countries.

First, there are the advantages of greater access to the highly capacious and dynamically growing market of the European Community. As a consequence, the Visegrad Group countries would be afforded the chance to manufacture larger series of products, to enlarge the scale of output, and to streamline their economies. In many domains, Central European producers enjoy a comparative superiority on the market of the European Community, chiefly in view of their lower labor costs. Although average productivity is higher in the EU countries than in Central Eastern Europe, human labor

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

is paid less in the Visegrad Group than in the EU, and hence is cheaper.

Second, there is the greater competitiveness on the domestic markets of the Central Eastern European countries as a result of the opening of their economies to products imported form the European Community. This is an incentive to their economies. This concerns chiefly the structural changes thus necessitated, with the object of utilizing production resources more efficiently, accelerating technological progress, and fitting production to the needs of foreign markets.

Third, the Visegrad Group countries can benefit from the stabilizing effect of association agreements with the European Community on their economic policy. Such agreements require the countries of Central Eastern Europe to adjust their economic policy to EU standards by eliminating frequent changes in their objectives and instruments and introducing mechanisms and institutions patterned on those existing in the European Community.

All these advantages may be long-term, and will depend on meeting many requirements that generally are difficult to the countries of Central Eastern Europe, principally by raising the level of economic growth, adapting economic structure, etc. This necessitates a marked increase in the investment outlays on restructuring production, raising the technological level, etc.

The entry of Central Eastern European countries into the EU as full-fledged members in the near future, or not too distant future, may place them in a difficult economic situation as reflected in the uncompetitive nature of their industrial and agricultural production compared with that of the Community. This may spawn tendencies to reduce domestic output, along with a growth in unemployment and the many attendant negative trends.

In these circumstances, shortening the period of waiting for the Visegrad Group countries to reach full membership should thus be accompanied by greater aid from the EU. In this context, the following relationship may be formulated: The shorter the period of adaptation of the economies of Central Eastern European countries, the greater the aid provided to them by the EU with the object of offsetting the aforementioned negative consequences.

Together or Separately

For the above reasons, there can be no definite answer to the question of whether the countries of the Visegrad Group should join the EU together or separately. There exist arguments in favor of either approach.

Joint entry would undoubtedly augment the importance of Visegrad Group countries within the EU. They would cope more easily with the new institutional and real conditions of growth. But that would require accelerating their so-called small integration.

Entering singly is favored by the disparities in the domestic factors determining the "bargaining" position of the individual Central Eastern European countries vis-a-vis the EU. Thus, the better positioned countries favor joining the EU on their own. They believe that, should they enter the EU jointly with their fellow countries, that would weaken their bargaining position by equating it with that of the weakest countries. Thus, they would gain relatively less than warranted by their potential.

Generally speaking, the Visegrad Group countries can be ranked as follows with regard to their adaptation to the requirements of the EU: the Czech Republic, Hungary, Poland, and, last, Slovakia. Incidentally, this sequence is changing. In the last two years Hungary, the previous leader, was outpaced by the Czech Republic.

At the outset of the system transformation, that is, during the years 1990-93, Hungary was relatively the most "attractive" to the EU among the Visegrad Group countries. Earlier than the other Central European countries it abandoned autarky and reoriented its economy to foreign cooperation, especially with the European Economic Community. For this reason, too, the structure of the Hungarian economy is more complementary with that of the EU than with that of the other countries of the region, as reflected in the longtime predominant share of EU countries in Hungary's foreign trade.

Hungary is, moreover, a country with a traditional ramified rail, road, etc., structure, linking it with the EU countries; although it does not directly adjoin any of them, the ramified network of linkages across Austria affords convenient conditions for the growth of foreign trade and other forms of mutual ties with Germany, Italy, and other members of the European Community.

At the threshold of the 1990's Hungary was the best prepared of the Central European countries for changing its sociopolitical system, for it had begun as far back as in the 1960's to introduce solutions that were close to that of market mechanisms. Thus, it is not surprising that during the initial period of transformation of that system it attained results that were definitely superior to those of the other countries of the region. Unfortunately, owing to mistakes made in the second half of 1993 and in 1994, that country was overtaken by the Czech Republic.

When the system transformation began, Czechoslovakia was in a worse starting position than Hungary. That is

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

because during the preceding 20 years all economic reforms in that country had been suspended, and relations with the West had been relegated to a secondary plane. An additional impediment was the breakup of Czechoslovakia into two independent countries in 1993.

Yet, in 1994-95 the Czech Republic decidedly advanced to the first place. It reduced its inflation to the lowest level within the Visegrad Group and in practice solved its unemployment problem. In many other respects as well, it bolstered its position as the economically highest developed country within the group. At the same time, the development of good political and economic relations with Germany afforded to Czechs favorable conditions of access to the EU market, and their efficiently pursued economic policy provided encouragement for direct foreign capital investment on Czech territory.

Ranking third in terms of attractiveness to the EU is Poland. On the one hand, it is a major market for EU exporters, but on the other, it is, compared with the Czech Republic and Hungary, an economically less developed country, one that is more poorly governed, that is unstable politically, and that still maintains high inflation and unemployment. Poland's asset is its relatively high growth rate of industrial output and gross domestic product. Exports also are rising relatively rapidly. However, the trends toward a negative balance of trade are growing. Moreover, the country's foreign debt is high.

Undoubtedly, Slovakia is the least attractive partner to the EU. It is relatively the least industrialized of the four countries, and, following its separation from the Czech Republic, it is economically weak and indecisive about institutional reforms. Thus, should the sequence in which the four countries are to join the EU be determined by the above-mentioned factors, the Czech Republic would be ranked first and Slovakia last. In practice, however, other factors, too, will certainly be decisive. Much indicates that, as distinct from the countries of the Visegrad Group, the EU will favor the joint admission of all four countries to membership.

Poland: Deputy Prime Minister Pietrewicz Interviewed

WS0103110696 Warsaw SZTANDAR in Polish 27 Feb 96 p 4

[Interview with Professor Miroslaw Pietrewicz, Polish deputy prime minister and director of the Central Planning Administration, by Joanna Malara; place and date not given: "I Am Entangled in Politics"]

[FBIS Translated Text] [Malara] You are said to be Polish Peasant Party [PSL] Chairman Waldemar Pawlak's man. You do not mind this "label"?

[Pietrewicz] Never in my life have I been "anyone's" man, although the statement that I am "Pawlak's man" neither insults me nor belittles my role in this Cabinet. Also, I never got the impression that Chairman Pawlak was favoring me in any way. We are both acting in the best interests of the party.

[Malara] PSL activists claim that you have been appointed deputy prime minister so that the party's interests will be guaranteed in the government. What PSL interests are you going to defend?

[Pietrewicz] It is not the party's interests I will defend; it is the interests of the state. Nonetheless, we would certainly like the socioeconomic policy of the country to be implemented in such a form that the PSL deems to be the most favorable.

[Malara] How would you evaluate the implementation of your platform if you had 10 grades to choose from?

[Pietrewicz] Three plus. This grade goes not only to issues of the countryside, but also to nationwide problems.

[Malara] How is the PSL going to improve the living standards of its voters?

[Pietrewicz] The top priority for the party is economic growth. This requires a bigger demand, including a demand for agricultural produce. Therefore, we believe that it is advisable to stimulate exports, among other things, because it is a factor contributing to economic growth and to the promotion of our goods. We also support actions aimed at reducing unemployment in towns. They serve the purpose of modernizing the Polish countryside. Reduction of unemployment would make it possible for people who live in rural areas to move to towns. Thus, the "general" goals include properly understood interests of countryside residents. We also support actions aimed at restructuring economically weak regions.

[Malara] The PSL is a party of "peasants with little land." The strongest lobby in the party consists of peasants who have relatively little land; they claim that Polish agriculture should be based on the so-called family-owned farms. Do you think it will be possible to carry out a reform of the Polish countryside if we maintain the current agrarian structure?

[Pietrewicz] In the present conditions, a radical change in the structure of Polish farms is unrealistic. We cannot afford to do this at the moment. For the time being, modernization of agriculture can only involve modernizing already existing farms.

[Malara] Are you an advocate of the factions of "peasants with little land"?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Pietrewicz] The simple division into "peasants with a lot of land" and those with little land does not reflect the real situation in the party. Right now it is a utopian idea to create large and modern farms. Until the year 2005, we will see a considerable—over 2 million—"inflow" of young people of working age. In towns there will be increasingly more workers. If we want to do something reasonable in the entire economy, especially in industry, to enhance our competitiveness, we cannot at exactly the same time carry out the restructuring of agriculture, involving the creation of large farms. A large number of people living in rural areas would then have to move to towns. It must be remembered that in towns the labor market will be satiated for a few years at least.

[Malara] Does this mean that the conception proposed by Roman Jagielinski, agriculture minister and deputy prime minister, is unrealistic?

[Pietrewicz] The actions that Deputy Prime Minister Jagielinski has spoken about can be taken on a wider scale only after the year 2005 or so.

[Malara] And PSL policy will be oriented toward the "peasant with little land" until that time?

[Pietrewicz] The party's policy should primarily be realistic. For the time being, we will have to provide support for existing farms for many years.

[Malara] In the opinion of PSL politicians, you are to act as a counterbalance to Grzegorz Kolodko, deputy prime minister and finance minister. Even when the Cabinet crisis was still going on, you criticized his "Package 2000." Is there a conflict between you and Grzegorz Kolodko?

[Pietrewicz] The government should pursue one policy—which results from the coalition accord. If its main points are implemented, any disputes or quarrels are out of the question. "Package 2000" was only a draft of an economic program; it was a certain proposal. The Council of Ministers will work out a common draft of the socioeconomic policy until the end of this century.

[Malara] What proposals submitted by Deputy Prime Minister Kolodko are totally unacceptable to the PSL?

[Pietrewicz] One of them is the proposal to replace the traditional agricultural tax by a tax on real estate. This regulation would be unfavorable to peasants. The party will by no means accept such a change.

[Malara] Some PSL politicians complain that the appendix to the coalition accord failed to take Privatization Minister Wieslaw Kaczmarek down a peg or two. The provisions of the appendix are reportedly not being observed.

[Pietrewicz] The appendix, which refers to the powers of the privatization minister, is a political regulation. If this political "directive" takes the form of a legal act and Minister Kaczmarek does not respect it, then, as a civil servant, he will be subject to evaluation. However, right now there is no reason that actions taken by the privatization minister should be evaluated. Any violations of the appendix provisions can bring about only political, not legal, consequences.

[Malara] What is your opinion of Minister Kaczmarek, who is most probably the least popular Cabinet member among the PSL deputies?

[Pietrewicz] Minister Kaczmarek is a specialist. I believe that the law is being observed in the privatization process. I want to add, however, that there are many details regarding the privatization of individual plants that I am not familiar with.

[Malara] Has the PSL begun negotiations with the Democratic Left Alliance [SLD] on how the spheres of influence will be divided after the reform of the economic center?

[Pietrewicz] If any talks are under way on this subject, they are being held among politicians. I am not and never was part of the party's structures. I always acted as an expert. I did not and do not take part in such negotiations.

[Malara] However, now that you have been appointed deputy prime minister, you will be "entangled" in politics whether or not you want to be.

[Pietrewicz] Yes, I believe that "being entangled" is the right expression here. The most important thing for me is to carry out the tasks that are assigned to the office I am holding. I am not really thrilled by political gamesmanship.

[Malara] Do you think the PSL-SLD coalition will continue until the next parliamentary elections?

[Pietrewicz] It is stable and it should remain in its present form until the elections. This does not necessarily mean that this government will survive until the elections. I do hope, however, that it will turn out to be a cohesive and stable Cabinet.

[Malara] Why so many doubts, then?

[Pietrewicz] These are not doubts; it was only a general reflection. When Waldemar Pawlak assumed the office of prime minister, it seemed that nothing would prevent his Cabinet from putting its platform into effect. Then some strange forces came into play, and things went in a different direction. The Oleksy Cabinet also had very good prospects when it began its work.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Malara] Does the PSL consider the SLD to be such an attractive partner that it will be prepared to go "hand in hand" with the social democrats in the parliamentary elections?

[Pietrewicz] The social and economic policies of the PSL and the SLD largely overlap. If we treat these policies as the top priority, the PSL-SLD coalition will be the best solution in the long run. If, however, we pay greater attention to the political sphere, we will find that the differences between the two parties are quite considerable. If the economy develops well, politicians may decide that economic goals are not the most important ones. Then other political configurations may appear. I personally believe, however, that socioeconomic issues will continue to be treated as top priorities for a long time.

Poland: UOP Head Discusses Resignation

LD2902235196 Warsaw Third Program Radio Network in Polish 2200 GMT 29 Feb 96

[FBIS Translated Text] Minister of Internal Affairs Zbigniew Siemiatkowski has said that he envisages holding talks with the opposition on the subject of a candidate for the post of head of the State Protection Office [UOP]. He added that the new head of the office will be an expert about whose qualifications there will be no reservations. The head of the Ministry of Internal Affairs said that he did not agree with the statements of the opposition that the acceptance of the dismissal of Gromoslaw Czempinski was a threat to the normal work of the Office. Yesterday both Prime Minister Cimoszewicz and Minister Siemiatkowski suggested to Czempinski that he remain in UOP.

[Begin Siemiatkowski recording] The decision belongs to General Czempinski. His departure from the post of head of UOP does not mean that he is departing the service. He continues to be a functionary of UOP. Until he presents (?a report) to the minister of internal affairs, he remains a functionary. Both Prime Minister Cimoszewicz and I urged him yesterday to consider this because there are considerable opportunities for the exploitation of his abilities and talents, not just in the post of head, although I do understand that he is in a very difficult situation, because first he is a general, and second because he was head of UOP. In association with this, finding for oneself a new formula for activity in the framework of the office is a very difficult decision for him. But I do not, as it were, close the doors to General Czempinski. [end recording]

General Gromoslaw Czempinski said:

[Begin Czempinski recording] I do not wish to be in this situation, as an employee, for who would I be? I would have to go, say, several steps down the ladder. This proposal has been made, but it is unimaginable to me. [end recording]

General Czempinski told the Third Program and GAZETA WYBORCZA journalists that UOP continues to work on the so-called Jozef Oleksy affair. An interview with the former head of UOP will be broadcast tomorrow morning on the Third Program and will be published in the GAZETA WYBORCZA daily.

Poland: Newly Appointed Naval Commander Profiled

WS0103102396 Warsaw POLSKA ZBROJNA in Polish 29 Feb 96 pp 1-2

[Article by Artur Bilski: "Change of Guard at the Office of Navy Commander"]

[FBIS Translated Excerpt] Yesterday, on 28 February, a farewell ceremony was held at the Navy Port in Gdynia Oksywie in honor of Navy Commander Admiral Romuald A. Waga, who has retired at age 60. At the motion of Defense Minister Stanislaw Dobrzanski, President Aleksander Kwasniewski appointed Vice Admiral Ryszard Lukasik, hitherto chief of the Navy Staff, as his replacement. [passage omitted]

Vice Admiral Lukasik was born on 15 October 1946 in Laskowice-Jelcz. During the years 1964-68, he studied at the Command and Staff Department of the Higher Naval School. After graduation he completed vocational training in a torpedo boat unit, and then in a rocket boat unit as deputy ship commander and ship commander. Having completed specialist training courses at military academies and graduated from the postgraduate Operations and Strategies School of the Academy of the General Staff of the Polish Armed Forces, he became naval commander of the 3d Ship Fleet in Gdynia. In 1989, he was appointed deputy commander of the Navy and was responsible for training. Beginning in December 1989, he was chief of the Navy Staff. In May 1990 he was promoted to vice admiral, and on 11 November 1995 he received a nomination to be vice marshal. [passage omitted]

Poland: Former Jaruzelski Aide To Return to CBOS

WS0103104996 Warsaw ZYCIE WARSZAWY in Polish 29 Feb 96 p 2

[Report by "NIKA": "CBOS: Kwiatkowski Returns to His Old Job"]

[FBIS Translated Excerpt] *Colonel Stanislaw Kwiatkowski was appointed yesterday by Leszek*

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Miller, head of the Office of the Council of Ministers [URM], to be a member of the Council of the Public Opinion Research Center [CBOS]. In 1982 Kwiatkowski was Jaruzelski's aide and one of the cofounders of CBOS.

Nominations were handed to six representatives of scientific communities and two representatives of the government, among them Kwiatkowski. Council members elected Professor Jacek Kurczewski as their chairman.

General Jaruzelski announced the establishment of a governmental public opinion research center in January 1982 and entrusted Kwiatkowski with this mission. A polling network was created with the aid of military psychological research laboratories. Many of the pollsters were members of the Polish United Workers Party, some ranking very high. [passage omitted]

According to [CBOS Director] Lena Kolarska-Bobinska, Kwiatkowski's appointment should not be demonized, although it might have an impact on the public image of CBOS. Kwiatkowski is one of eight Council members, which in itself is an advisory body. The CBOS statute provides that, among the Council's tasks, is suggesting candidates to head the CBOS.

The colonel's son, Robert, was also promoted recently. The Sejm has elected him to be a member of the National Radio and Television Council. Robert Kwiatkowski was one of the organizers of Aleksander Kwasniewski's presidential campaign.

Poland: Draft Laws on Political Parties Presented in Sejm

LD2902215296 Warsaw TVP Television First Program Network in Polish 1830 GMT 29 Feb 96

[Relayed by Warsaw TV Polonia Network]

[FBIS Translated Excerpt] According to a new draft law on political parties, which has been prepared by the Polish Peasant Party [PSL], a party should have 10,000 members.

It means that only five parties would remain on the political scene. This draft and the other draft prepared by the Union of Labor [UP] were sent to Sejm commissions for further work.

Only five parties from among 300 currently registered parties declare that they have more than 10,000 members. After the introduction of the PSL proposal that parties should have so many members, most of the small parties, including some that are in the current parliament, would disappear. [passage omitted] Critics of the PSL draft believe that it is aimed against the parliamentary right wing. [passage omitted]

The PSL also believes that parties should not be running any businesses apart from publications advertising their activities.

On the other hand, UP thinks that economic activity of a party is a must. [passage omitted]

Instead of the right to economic activity, the PSL draft envisages the financing of the parties from the state budget. The PSL wants the subsidy to be divided according to the number of a party's deputies in parliament. The critics say that it may mean that extraparliamentary parties, for the lack of money for campaigns, would not stand a chance to enter the Sejm.

On the other hand, UP believes that subsidy should be given to those parties that would gain more than 2 percent of the vote in the parliamentary elections. All of the parties agree on one thing: Party finances should be public knowledge. According to the two drafts being discussed in the Sejm, parties would have to submit financial reports annually, which would then be published in the press.

Party Membership

Party	Number of Members
PSL	190,000
Social Democracy of the Polish Republic, SdRP	60,000
Confederation for an Independent Poland, KPN	35,000
Movement for the Reconstruction of Poland, ROP	12,000
Freedom Union, UW	10,500
Christian National Union, ZChN	8,000
Polish Socialist Party, PPS	5,000
Union for Real Politics, UPR	5,000
Conservative Party, PK	1,500
Center Alliance, PC	—
Republicans	—

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Poland: Polish-Czech Economic Relations Examined

96EP0029B Warsaw RYNKI ZAGRANICZNE (EU supplement) in Polish 25 Jan 96 No 11, p 3

[Article by Jerzy Golis, Polish trade adviser in Prague: "Poland-Czech Republic: Cost-Effectiveness Wins"]

[FBIS Translated Text] Bilateral Polish-Czech trade figures significantly in the foreign trade of the Czech Republic. In the first 10 months of 1995, bilateral trade totaled $1.2403 billion (according to the Czech Statistical Office) and was 50.7 percent higher than during a like period in 1994; of this amount, exports from Poland accounted for $513.6 million, i.e., 42.2 percent more, and imports, $726.7 million, i.e., 57.4 percent more than a year ago. Allowing for the volume of shipments in the last two months of 1995, it can be assumed that in 1995 Polish-Czech trade reached a level of about $1.5 billion.

Actually, Poland is the sixth largest trade partner of the Czech Republic, being outpaced by such countries as Germany, Slovakia, Austria, Russia, and Italy, and followed by, in this order, France, the United States, Holland, and Great Britain. In 1995 the growth rate of Czech-Polish trade was 19.4 percent higher than that of Czech foreign trade as a whole, 17.1 percent higher than that of trade with countries having a developed market economy, 16.3 percent higher than that of trade with European Union countries, and 19.7 percent higher than of trade with countries undergoing economic transformation. A similar trend applies also to trade between the Czech Republic and the other CEFTA [Central European Free Trade Association] countries; thus, while the volume of that trade increased by 18.0 percent with these countries as a whole, for Poland it increased by 50.7 percent and for Slovakia by 14.5 percent, while at the same time trade with Hungary dropped by 8.2 percent.

Czech economic decisionmakers undoubtedly include Poland among their interesting trade partners. In the geographical structure of Czech exports, Poland ranks high, fourth (after Germany, Slovakia, and Austria).

Thus, following a period of fascination with the markets of countries having a developed market structure, economic pragmatism is gradually winning in bilateral Polish-Czech trade.

In 1995, bilateral trade took place in the complicated conditions of the Czech market. That is because the institutional solutions adopted during the transition period still remain oriented toward protecting the domestic market and domestic manufacturers. This trend applies, in particular, to Polish exports of construction and installation operations and services.

Thus, despite their considerable productive capacity and the high level of the services they provide, Polish companies still encounter marked difficulties when renewing existing contracts or bidding for new ones. At the same time, competition on the job market is becoming an increasingly important factor owing to the restructuring of industry under way in the Czech Republic and the possibilities for hiring cheap manpower from Slovakia and countries of the former USSR. Unfortunately, in their operations, Polish and Czech companies continue to focus on marketing their products rather than on establishing permanent coproduction and supply ties.

This problem acquires a special dimension when we consider that new or organizationally transformed companies are energetically joining the manufacturing and commercial sectors.

A particularly active stance in this respect is to be expected from small and midsized companies which, owing to their nature and mobility, are able to adapt themselves flexibly to the changing requirements of the trade partner. Given the steady rise in the volume of bilateral trade and in the transit of Polish goods across Czech territory, the capacity of Polish-Czech border crossings is becoming an acute problem. Long lines of trucks owned by international freight forwarders have to wait for hours in front of these crossings. In this connection, in the opinion of the Office of the Polish Commercial Attache, what is needed is a streamlining of customs clearances and the expansion and modernization of the existing border crossings as a priority objective.

Poland: Foreign Investments in Privatization Noted

96EP0029C Warsaw RYNKI ZAGRANICZNE (EU supplement) in Polish 20 Jan 96 No 9, p 8

[Article by BT: "Who Is Buying Polish Companies?"]

[FBIS Translated Text] The privatization of the Polish economy will be completed by the end of this century, as Minister of Privatization Wieslaw Kaczmarek declared at a conference summing up 1995. Last year the privatization of 479 enterprises was initiated, of which 210 were converted to one-person Treasury companies, 151 were directly privatized, and 118 were liquidated for economic reasons. A total of 512 enterprises participate in the National Investment Funds (NFI), with 4.6 million citizens, or 17.6 percent of all those eligible, having by now purchased NFI share certificates.

In the minister's opinion, in the current stage of privatization, the 13 regional offices of the Ministry of Privatization will handle, by decentralized procedure, a growing share of privatization projects. They will handle

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

both the direct sale of companies to their employees and conversions to joint ventures. As for the ministry itself, in Warsaw, it will handle privatization proposals from enterprises whose parent agencies are sited here. Also in the offing is a thorough inventory of privatizable assets.

Of the state companies sold in 1995, noteworthy are those that were transferred to foreign investors. Osiecznica, a company engaging in the extraction of gravel and clay, found a German investor, Quarzwerke GmbH, while the Swiss Nestle and Bank Handlowy bought Winiary, S.A. The Augustow Tobacco Factory was bought by Batig, an FRG company; the Radom Tobacco Industry Plant was bought by Seita, S.A., of France; the Kielce Paper Products Plant found an investor in Great Britain (the David S. Smith Group); the Warsaw Pollena Uroda [cosmetics] was purchased by Cussons Group of Great Britain; the Olsztyn Stomil [rubber tires] was bought by France's Michelin; the Kujawy Cement Plant was bought by Lafarge of France; the Ball Bearings Plant in Poznan was bought by Aktiebolaget SKF of Sweden; and last, Kety, S.A. was jointly purchased by the Polish-American Enterprise Fund, Merchant LBO, and two Polish Private Equity funds. Many enterprises were also acquired by Polish companies, including such foreign trade companies as Universal, Impexmetal, CIECH [Import-Export Center for Chemicals and Chemical Equipment], Rolimpex, Mostostal-Export, Pol-Mot, etc.

Poland: Plan To Restructure Chemical Industry

96EP0032A Warsaw RZECZPOSPOLITA in Polish 9 Feb 96 p 9

[Article by Adam Maciejewski: "Chemical Industry Restructuring: The Money Will Be Found"]

[FBIS Translated Text] As already noted in the 7 February issue of RZECZPOSPOLITA, the Ministry of Industry has drafted a project for restructuring the chemical synthesis industry. The project presupposes the privatization of that industry's plants as well as the building of a large petrochemical conglomerate in the environs of Kedzierzyn that would supply raw materials for the plants located in Upper and Lower Silesia and Malopolska.

The rationale for this project is the need to make the Polish chemical industry independent of imports of the raw materials derived from the refining of crude petroleum. Last year the value of these imports doubled in comparison with 1994. This independence cannot be achieved given the current capacity of the Plock Oil Refinery, which is being fully utilized.

The project envisions spending the bulk of the investment outlays, about $480 million, in 1998. Beginning with the year 2000, the level of utilization of investment credits will be lower than that of the industry's own resources. The ministry is counting on thus stabilizing the revenues of the industry as a whole. The income taxes paid by the industry are expected to rise from Z126 million in 1994 to about Z350 million in 2005.

These objectives will be achieved on the condition that the Poludnie (South) Petrochemical Conglomerate, whose cost is estimated at $1 billion, is completed. As for building a petrochemical conglomerate to be supplied by the Plock refinery, that is now out of the question. In the future, on the other hand, building a refinery as part of Poludnie, and as a purely commercial project, may be feasible.

Currently, the ministry is looking for foreign venture capital that is not linked to the companies which at present export petrochemical components to Poland. The conglomerate will be sited in Kedzierzyn, because most consumers and the requisite land and facilities are located in that region. Previously its siting in Oswiecim had been considered, but since the local authorities and inhabitants objected, this idea was abandoned.

"The money will be found, because not that much is needed, and the interest can be paid. The only problem is confidence in the political situation in Poland," commented Minister of Industry Scierski. He added that potential partners may be found in Qatar or the Arab Emirates. Should, however, the idea of recruiting foreign capital not pan out, credit can be obtained from major Polish banks, which are interested. Conservative appraisals of the assets of the chemical sector indicate a need of $300 to 400 million for this purpose. Hence CIECH (Import-Export Agency for Chemicals and Chemical Equipment) was included as a participant in the program. CIECH's possibilities for obtaining credit will be utilized by Nafta Polska, which will take it over.

Herbert Gabrys, deputy minister of industry and trade, declared that CIECH's participation in the chemical industry's program is symbolic and will consist in acquiring several small plants in northern Poland. CIECH may also take part in the privatization of Janikosoda, if its bid is accepted. Klemens Scierski denied, on the other hand, a report that a project for establishing four holding companies, one for each subsector, was being considered.

"This notion requires further consultation and analysis. The ideas expressed on the subject are worthwhile, but for the present they just remain ideas," he said.

Minister Gabrys affirmed that the ministry does not want to establish structures that will monopolize raw materials or assure organizational monopoly, and that instead it is exploring ways of procuring the funds for the above-mentioned investment projects.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Romania: PSM Chooses Paunescu To Run for Presidency

AU2902152596 Bucharest ZIUA in Romanian 26 Feb 96 p 5

[Article by Mihai Toader: "Senator Adrian Paunescu Named Candidate for Cotroceni"]

[FBIS Translated Text]

Paunescu Says He Will Rebuild National Reconciliation

Last Saturday, the National Conference of the Socialist Party of Labor [PSM] unanimously elected Senator Adrian Paunescu as candidate for the presidential elections this year. Paunescu's candidacy was established at the National Committee's plenary session, which took place behind closed doors last week. PSM leader Ilie Verdet said that he would not compete for the Cotroceni [presidential] palace, for the sake of the party's prosperity.

In his speech, which he prepared one day before his official election, Adrian Paunescu swore twice that he will not betray the trust put into him by the PSM delegates and that the Romanian people will be the reference point in all his activity. Likewise, he reviewed the tragic destiny of the nation's prominent figures during the course of history and promised that, when the PSM came to power, acts of political revenge would cease. The PSM candidate said that his election campaign would be at an ethically high level. "We will not slander the other candidates, because we must compete in an honest manner. Political rivals are threatening each other with imprisonment; we will rebuild national reconciliation," Paunescu said.

Ilie Verdet Convinced That Elections Will Bring Left to Power

Opening the PSM National Conference proceedings, party president Ilie Verdet made a political analysis of the PSM's electoral strategy. He said that his party will emerge victorious, because the electorate will vote for the left. As a matter of fact, the leadership of the socialists claims that in the six years since the revolution, the consistent leftist forces have managed to convince the Romanian electorate. Verdet is convinced that Romania will be no exception to the general trend that has brought the left back to power in most of the countries of the former Soviet bloc. In this respect, he suggested that all leftist political groupings contesting the elections should conclude a nonaggression and mutual support pact. Nevertheless, the socialist leader claims that his party is one of the most influential political forces, capable of ensuring the country's governing either alone or together with other parties. In Verdet's opinion, the only way to come out of the economic crisis is to choose the socialist path. On the other hand, he said that he is not against privatization, but that he rejects the current reform, which draws its inspiration from wild capitalism.

PSM Has Great Plans for Industry

The PSM leadership announced that it plans to implement an economic program to combat unemployment. It also intends to initiate the privatization of part of the state-owned property and to develop industry, which will enjoy government's support. "Renouncing industrialization is an erroneous process, imposed by the current rulers. The PSM is ready to ally itself with other parties in order to implement this program," Verdet said. Likewise, the socialist leader suggested the creation of a state body for planning and reform, which should not have only consultative powers.

Socialists' Electoral Promises as Bait

The PSM's electoral platform, adopted by the National Conference plenary session, provides for the creation of 600,000 new jobs and 300,000 housing units in the next four years. The document also stipulates the reintroduction of 10-year compulsory schooling, free of charge. Likewise, it provides for an average salary of $200 and a medium pension of at least 70 percent of the reference real salary.

With this program, Verdet's socialists hope to win over the hearts of the voters, forgetting to mention the financial means with which they intend to implement their program. Moreover, the PSM is against accepting foreign loans, since it claims that the Western help cannot take the country out of its crisis.

Romania: Bacanu Elected Civic Alliance President

AU2902135396 Bucharest ZIUA in Romanian 26 Feb 96 p 5

[Report by Irina Stanescu: "Civic Alliance Congress Elects P.M. Bacanu as President"]

[FBIS Translated Text] The fourth congress of the Civic Alliance [AC] of Romania, the proceedings of which were held over 24-25 February in Bucharest, elected Petre Mihai Bacanu as its new president. The vice presidents are: Romulus Rusan, Ana Blandiana, Valerian Stan, Nicolae Prelipceanu, and Gheorghe Ceausescu.

In his message addressed to the congress, Senator Constantin Ticu Dumitrescu, the president of the AFDPR [Association of Former Political Prisoners of Romania], insisted on stating that "whether a KGB hand or not,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

whether a traitor or not, Ion Iliescu is still a curse and a burden for our country."

During the proceedings of the congress they issued a declaration "Against the Political Manipulation of National Pride." The alliance protests the manipulation by the current rulers of the country of the national consciousness and the history of the Romanian people, as well as the process of denationalization of the ethnic Romanians living in Bessarabia, northern Bucovina, and the Herta district [currently in Ukraine]. In the same document the alliance addressed an appeal to all political parties to refrain from "demagogic and jingoistic discourses that could depreciate the notion of loving one's homeland." The AC decided to oust the former [Romanian Communist] party activists from among its members. Furthermore, the congress decided to turn to the Nobel Prize Nomination Committee, asking for Ilie Ilascu [Moldovan citizen held in prison by the authorities of the self-styled Dniester Republic] to be awarded the 1996 Nobel Peace Prize.

The AC congress passed a motion condemning the abuses perpetrated by the current rulers of the country. The document expresses the AC's determination to bring the Romanian national television company to court. The latter is accused of illegal functioning, as it lacks both the necessary leadership and control bodies, as well as a body especially empowered to account in front of public opinion for the way in which the company carries out its duties.

At the conclusion of the proceedings the delegates sang the Hooligans' Anthem [Imnul Golanilor — a song evoking the Bucharest students' street protests during the summer of 1990], whereby they all rose to their feet when they reached the passage saying "much rather dead than a Communist."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovenia: Commentary Examines Visit by UK's Rifkind

AU2902165896 Ljubljana DELO in Slovene 22 Feb 96 p 3

[Commentary by Mojca Drcar-Murko: "Building Bridges Through Business Diplomacy"]

[FBIS Translated Text] It seems that, two days ago, even the more informed did not really know why British Foreign Secretary Malcolm Rifkind suddenly decided that the time had come to visit Ljubljana. His television statement, which portrays Slovenia as a role model for the other territories of former Yugoslavia, was not consistent with the former British foreign policy.

We have to keep in mind that the mediation period of Lord Carrington, who never concealed that he was working directly on the orders of the Foreign Office, was one of the worst nightmares of the former Yugoslavia's breakup. Great Britain took more than reasonable measures in order to keep a unified Balkan state of one kind or another. It was a British (and French) initiative that led to the arms embargo over the entire former Yugoslavia, which in turn can justifiably be seen as one of the most fatal events that escalated the war in the Balkans.

Does this mean a shift of lasting importance? What has caused it? Judging by an article of a FINANCIAL TIMES reporter who accompanied Rifkind in Ljubljana, the era of romantic foreign policy and waiting for changes resulting from higher principles is over. He writes: "Mr. Rifkind said he supports Slovenia's wishes to join the EU and NATO. He said that Slovenia's chances of joining NATO would increase were it to choose a communication system compatible with the one used by NATO."

He continues: "By the year 2003, Slovenia plans to set aside $750 million for the improvement of its armed forces, including the air defense and artillery. The British Ministry of Defense has offered its assistance with the balancing of the military budget and the supply of weapons." The author mentions nothing more than the bare interests; no decoration, just facts. The foreign secretary supposedly welcomed the Slovene Government's decision to revise the accuracy of the procedures leading to the first phase of civil and military telecommunication system modernization (overall value $90 million) entrusted to the Israeli firm Tadiran (Koor). He apparently also expressed his hopes that British and other tenders will have more luck with the second presentation of offers.

The article leaves us in no doubt: The British minister came to Ljubljana on business, and Slovenia showed itself favorably when he received approving answers to his questions. The article says that "British officials welcomed Slovenia's intention to review the offers, but they place greater trust in Mr. Drnovsek's promise that, in the future, contracts will be open to British and other Western companies."

The principles (of the British foreign policy towards our country, which has been extremely skeptical over an extensive period of time and sometimes cynically rejective) are changing and the arms embargo, forged in London and Paris, has become an obstacle. If lifted, Slovenia will be a good customer, and even the other obstacles a country meets on its way into the EU will diminish in importance.

There is nothing wrong with that. Concrete interests make the world go round, and Britain is not the only country with interests in Slovenia, since the profit interest is much greater. Does this mean that Slovenia, albeit small, is gaining in real importance, which also means something in international relations? This also gives Slovenia more leeway and the possibility to choose its own partners and guardians, with the help of which it will regulate its interests.

The situation will probably be similar with a number of larger purchases: Apart from its strategic position and thus the value of land, Slovenia is interesting despite its size. If it is interesting to the British foreign secretary, representing the interests of other companies as well (American, German), should the same not apply to Italy? If Slovenia deems it sensible to entrust the purchase of telecommunication equipment to a British company, since Britain is apparently offering itself as a more active supporter of Slovenia's joining the EU (hindered by Italy's invented political-ideological "quarrel"), why should it not deal in the same way with Italy, which is also very sensitive to these issues? If this is the time to balance out supply and demand, why should we not introduce the term of "business diplomacy" into our relations with Italy, and so raise it to a level well understood by economists? Would we not, in this way, create a tangible mutual need between the two countries and thus sever the roots of irredentist extremists in the border area?

Slovenia: France Continues To Support Efforts To Join EU

AU2902205696 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 29 Feb 96

[FBIS Translated Text] Michel Barnier, French minister of European affairs, visited our country today. The senior guest discussed Slovenia's relations with France and the European Union with Foreign Minister Thaler,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

President Kucan, State Chamber Speaker Skoljc, Economics Minister Dezelak, and Prime Minister Janez Drnovsek. After the talks, French Minister Barnier and Foreign Minister Thaler held a news conference. Nadja Pengov reports:

¡Begin recording] [Pengov] The visit is important for Slovenia and reflects a high level of relations between our country and France, Minister Thaler assessed, and announced Prime Minister Drnovsek's imminent official visit to Paris. The French guest later also specified the date — 14 March.

In today's talks, Slovenia, according to Thaler, received assurances that France would continue to support our efforts to join the European Union. They jointly concluded that it was necessary to boost the efforts for the signing of the associate membership agreement. French Minister of European Affairs Barnier used flattering words in describing his first visit to Slovenia, his impressions, and the talks with our most senior statesmen. By the way, he also knows Slovenia as a country of good skiers.

He said that the purpose of his tour of the EU associate member states was to check on their resolve to join the European 15, and that he was impressed with the successes that Slovenia has accomplished in the economic sphere. Slovenia, is well prepared, even very well prepared, for Europe. There is also a consensus of all political parties on this, he concluded.

He has also heard about the problems with our bigger neighbor, Italy. These are problems of bilateral nature that must be resolved because it is important for the 15 member-states of the Union that the process of Slovenia's accession runs uninterruptedly. That is of the utmost political interest, he said, also for strategic reasons. France is willing to help here. [end recording]

Slovenia: Poll Shows Decline in Support for Government

AU2902195396 Ljubljana DNEVNIK in Slovene 26 Feb 96 pp 1, 3

[FBIS Summary] Vlado Miheljak sums up the results of a monthly telephone public opinion poll on the popularity of parities that was conducted on 21 February among 709 randomly chosen pollees. His initial observation is that "Drnovsek's government lost a considerable portion of voters' support following the departure of the United List from the government coalition." To illustrate this claim, an accompanying pie-chart shows that 51.9 percent of the pollees support the government, 27.9 percent do not, and 20.1 percent are undecided. In comparison, in the January poll, 57 percent supported the government, 28 percent did not, and 15 percent were undecided. The author admits that the support percentage is higher than in similar opinion polls in other papers, primarily because DNEVNIK does not investigate opinions on the government's successfulness, but merely the support for it.

Illustrating the data on the popularity of political parties, a bar chart shows that, were elections held tomorrow, 18.8 percent would vote for the Liberal Democracy; 7.1 percent for the Social Democratic Party of Slovenia, 6.4 percent for the United List of Social Democrats; 6.1 percent for the Slovene Peoples' Party; 3.7 percent for the Slovene Christian Democrats; 3.6 percent for the Greens of Slovenia; 2.9 percent for the Democratic Party; 1.7 percent for the Slovene National Party; and 1.2 for other parties. Of those polled, 27.2 were undecided and 21.1 percent replied that they would not vote.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Federal

FRY: Belgrade To 'Intensify Contacts' With EU Mission

LD2902205696 Belgrade TANJUG in English 1903 GMT 29 Feb 96

[FBIS Transcribed Text] Belgrade, Feb. 29 (TANJUG) — Yugoslav Prime Minister Radoje Kontic told Thursday new head of the E.U. monitor mission for the former Yugoslavia, Ambassador Franchetti Pardo that Yugoslavia was ready to intensify contacts and cooperation with the E.U. mission.

Kontic said Yugoslavia's fast and full reintegration into the international community was extremely important for the implementation of the Dayton accords and cooperation with the E.U. members was of outstanding importance, a government statement said.

The Yugoslav prime minister stressed the importance of unbiased and objective reports on violations of human rights of Serbs in Croatia and the Muslim-Croat Federation in Bosnia-Herzegovina.

The two sides agreed that the role of the E.U. monitor mission was extremely important for a peaceful resolution of the issue of Prevlaka, the strategically important peninsula between Yugoslavia And croatia.

The meeting was attended also by head of the E.U. mission's Belgrade-based regional centre Antonwo Torciello and Charge d'Affaires of the Italian Embassy in Belgrade Francesco Bascone, the statement said.

FRY: European Parliament To Finance Economic Recovery

LD0103000996 Belgrade TANJUG in English 2352 GMT 29 Feb 96

["Pool" item]

[FBIS Transcribed Text] Brussels, Feb 29 (TANJUG) — The European Parliament on Thursday adopted a resolution on financing the economic recovery of the states created in the Former Yugoslavia by the year 2005.

The resolution, adopted after a debate in the Foreign Affairs and Security Committee on Tuesday, expresses conviction that the economic recovery of the region was the best way to abolish war and establish a solid and lasting peace.

The resolution requested from the European Commission and the E.U. Council of Ministers to coordinate efforts for raising funds for financing the recovery and directing them to the most viable projects.

The document insists on the return of refugees in the shortest possible time, mutual recognition and restoration of ties among the states of the Former Yugoslavia.

The resolution was passed with 245 votes for and five abstentions.

The European Parliament also recommended an open dialogue with the ethnic Albanians in Serbia's southern provinces of Kosovo and Metohija.

The document linked the issue with the lifting of the international sanctions against Yugoslavia.

The U.N. Security Council imposed comprehensive and mandatory sanctions against the Yugoslav Federation of Serbia and Montenegro on May 30, 1992, alleging its involvement in the civil war in Bosnia.

The sanctions were suspended on November 22, 1995, after the Bosnia Peace Accord was struck at Dayton, Ohio, on November 14.

The European Community's decision on abolishing preferential treatment in trade with Yugoslavia, made on November 8, 1991, was suspended on December 4, 1995.

FRY: Yugoslav, Bosnian Serb Economists Discuss Ties

LD2902192796 Belgrade TANJUG Domestic Service in Serbo-Croatian 1500 GMT 29 Feb 96

[FBIS Translated Text] Belgrade, 29 Feb (TANJUG) — A delegation of economists led by Bozidar Antic, chairman of the Chamber of Economy of the [Bosnian] Serb Republic, had talks in the Yugoslav Chamber of Economy (PKJ) today on the reestablishment of economic relations and the joint activation of overall economic potential, a statement by the PKJ says.

The statement goes on to say that PKJ Chairman Mihailo Milojevic stressed the need for planned and quick action in all spheres in which it is possible to renew economic cooperation. At the same time, he noted all the problems.

The suspension of sanctions has created basic conditions for renewed links between the economies on both sides of the Drina river, Milojevic said.

The talks focused on industry, the production of motor vehicles and aluminum in particular, but also on agriculture and the construction industry.

Energy production was mentioned as very important for the whole system of links (especially production of electricity), as was rail, road and air traffic.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

At this moment the establishment of connections in the sphere of information is very important. This had broken down "owing to the lack of equipment and installations in the Serb Republic."

The Serb delegation invited the PKJ chairman to visit the Serb Republic with a group of Yugoslav business people; the invitation was accepted. It was agreed that the visit should take place as soon as possible, the statement says in conclusion.

FRY: Ukrainian Delegation Visit Confirms Good Relations

LD2902182496 Belgrade TANJUG in English 1541 GMT 29 Feb 96

[FBIS Transcribed Text] Belgrade, Feb 29 (TANJUG) — Vice-President of the Socialist Party of Serbia (SPS) and Federal Parliament Deputy Goran Percevic assessed Thursday that the visit of the Ukrainian parliamentary delegation to the FR of Yugoslavia was confirmation of good and friendly relations between the two countries.

Talking to journalists following talks between the Ukrainian parliamentary delegation, led by Parliament Speaker Oleksandr Moroz, and the SPS deputy group in the Yugoslav parliament, Percevic said that the suspension of sanctions had created better conditions for the development of bilateral relations.

Percevic said that the Ukrainian parliament speaker, who is also the president of the Ukrainian Socialist Party, will head a delegation of his party to the SPS congress, in Belgrade March 2.

FRY: Conditions Good for Further Cooperation With Ukraine

LD2902182796 Belgrade TANJUG in English 1551 GMT 29 Feb 96

["Pool" item]

[FBIS Transcribed Text] Belgrade, Dec. [as received] 29 (TANJUG) — Yugoslav parliament's lower house speaker Radoman Bozovic and Ukrainian Parliament President Oleksandr Moroz said here Thursday that conditions existed for the promotion of all forms of the bilateral cooperation, especially economic.

Moroz heads an Ukrainian parliamentary delegation on a three-day visit to Yugoslavia, at the invitation of the Yugoslav parliament.

Both sides expressed satisfaction with the renewal of parliamentary cooperation between the two friendly countries.

Bozovic thanked the Ukrainian Government, parliament and public for their objective stand on the crisis in the former Yugoslavia.

He said Yugoslavia's foreign-policy priorities were the consolidation of peace on the territory of the former Yugoslavia, negotiated solutions to disputed issues, and a consistent implementation of the peace agreement for Bosnia-Herzegovina.

A condition for the normalization of the situation and the creation of conditions for the reconstruction of Bosnia-Herzegovina is for the international community to treat as equals all sides in Bosnia-Herzegovina, Bozovic said.

It is also extremely important that Yugoslavia's membership in European and world institutions be reactivated, this being a condition for stable peace in the region, Bozovic said.

He noted that Yugoslavia devoted great significance to its economic cooperation with other countries.

Moroz agreed that it was necessary to have Yugoslavia reintegrated into all international processes, and said Ukraine would urge that Yugoslavia be admitted to the Council of Europe, whose members Ukraine and Russia had already become.

The Ukrainian parliament president said that, in view of the similarities between the economies of the two countries, all fields of future cooperation should be defined.

Moroz said his country had lost about five billion dollars due to the international sanctions against Yugoslavia.

He informed Bozovic that the Ukrainian parliament had set up a group for cooperation with Yugoslav parliamentarians and urged that the Yugoslav parliament do likewise.

FRY: Parliamentarians Meet Ukrainian Parliament Speaker

LD2902234096 Belgrade TANJUG in English 2212 GMT 29 Feb 96

[FBIS Transcribed Text] Belgrade, Feb. 29 (TANJUG) - Members of the foreign policy committees of Yugoslavia's bicameral parliament met here on Thursday with a delegation of Ukrainian parliamentarians headed by Parliamentary Speaker Oleksandr Moroz.

A statemenet released by the Yugoslav parliament said the two sides urged a speedier promotion of bilateral ties, especially in view of similarities of current developmental process in the two countries.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

They also agreed that the geopolitical positions of Yugoslavia and Ukraine were favourable for expanding economic cooperation, especially in the fields of transport, small business and the construction industry.

Urging the definitive lifting of sanctions against Yugoslavia and its return to international organizations, the Ukrainian parliamentarians said that promotion of bilateral relations with Yugoslavia was one of the chief goals of Kiev's foreign policy.

FRY: Ukraine's Moroz Discusses Economics at Seminar

LD0103123396 Kiev UNIAN in Ukrainian 1120 GMT 1 Mar 96

[FBIS Translated Text] Belgrade, [no date as received] — It is impossible for developed European states to distance themselves from the problems of new European states, because stability in the new states is a guarantee of stability in Europe as a whole, Oleksandr Moroz, Ukrainian supreme council chairman, stressed at a meeting with the teaching staff of the International Politics and Economics Institute on 1 March.

A UNIAN correspondent reports that, touching on the situation in Ukraine, the parliament chairman said that it was considerably more complex than, say, that of Poland or Russia. Structural deformation following the collapse of the USSR affected Ukraine the most, he believes, because the state had an over-developed defense industry, as well as sectors requiring high energy input. According to him, the energy required to produce gross domestic product in Ukraine is from 700 to 900 percent more than in developed European countries. The parliament chairman also emphasized that one should add the lack of legislative documents, as well as "painful mistakes in choosing and implementing a course of economic reforms."

Oleksandr Moroz stressed that the main task in the Ukrainian economy is to form a domestic consumer market. Since Ukrainian foreign trade went over to world prices, all sectors and enterprises have divided into three groups: stable ones, for which the government is creating favorable tax, credit, and investment conditions; strategic ones, energy, coal and machine-building sectors that require state support; and enterprises to which the bankruptcy mechanism will gradually be applied. Proceeding from this categorization, Oleksandr Moroz said, the state's main priorities are modern technological and economic cooperative production, creation of a financial and banking system, structural reconstruction of the economy, reduction in energy input for production, as well as development of the agro-industrial complex. According to Oleksandr Moroz, these priorities are embodied in the "Main measures and directions for Ukraine's development in the crisis period," adopted by the Ukrainian Supreme Council in fall 1994.

Today [1 March] the Supreme Council chairman and members of the Ukrainian delegation laid wreaths at the Liberators of Belgrade memorial complex.

Serbia

Serbia: Sarajevo, Mostar as 'Models' for Slavonia Serbs

AU2902190496 Belgrade POLITIKA in Serbo-Croatian 29 Feb 96 p 14

[Commentary by Radivoje Petrovic: "Sarajevo and Mostar"]

[FBIS Translated Text] The civilian part of the peace accord for Bosnia is being seriously challenged by the cases of Sarajevo and Mostar. The two cities, so frequently mentioned over the past years of war as well as today, when peace settlements are being devised, appear as a sort of model on which the entire situation in this part of former Yugoslavia is based.

Debates and diplomatic-political competition about the status of Sarajevo and Mostar reflect a lot of extremely complex relations in the Muslim-Croatian federation, as well as within the Serb national body. There are also many illustrations of the unprincipled implementation of guarantees to which the international community has pledged itself. How important this is for peace in Bosnia does not need to be particularly stressed, but the examples of Sarajevo and Mostar will probably serve as models of how similar situations elsewhere in former Yugoslav republic are supposed to be resolved.

At the oval table in the military base in Dayton, Ohio, Alija Izetbegovic won a unified Sarajevo instead of a unified Bosnia. This sort of concession was bolstered by many guarantees of the international community about the safety of the Serb populace in the Muslim-controlled regions. Regardless how shaky those guarantees may appear, the trimming of the Dayton accords in Paris and Rome promised at least the minimum conditions for the restoration of confidence among the Serbs and their staying in their homes. However, the shaky guarantees offered by the federation and Pale's constant stirring up of already deep-rooted mistrust have caused a new exodus. IFOR [Implementation Force] is there as well, however its task description does not include dealing with this sort of ethnic cleansing.

Although the implementation of many solutions can be assessed with a mouthful of criticism, it is obvious

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that, on top of the understandable mistrust among the ordinary people, comes a theory launched by the Serb Republic's leadership that any survival and existence of the Serbs in the parts of Sarajevo assigned to the federation is impossible. So all the municipalities predominantly inhabited by Serbs have simply been given up to the Muslims. The entire operation, supported by Pale, should serve as the last — absurd and tragic as it is — argument that the policy pursued by the leadership of the Serb Republic was much more correct and effective than the one pursued by Belgrade. Why were people dying in Vogosca, Rajlovac, Nedzarici and Ilijas for so many years, if all these places will be deserted in just a couple of days?

Without doubting for a single moment the reasons for fear of the local populace, a logic question must be raised: Should not these people have paused for a moment and convinced themselves of the possibility of life in new circumstances? Should not the leaders from Pale have tried to do everything to keep the Serbs in Sarajevo? The suspension of the sanctions against the Serb Republic, the adoption of laws in the federation on an amnesty for participants in the war, and other actions give a totally different impression. This is, perhaps, not enough to restore confidence after such a severe civil war, but it gives hope that a different approach is also possible. Instead of that, the Serbs exodus from Sarajevo seems to be an illustration of Pale's continuing resistance to Belgrade, with a price paid by common people.

A few years ago, Mostar remained without its symbol, the Old Bridge. Symbolically speaking, the bridge to link the Croats with the Muslims is missing today. The example of this city confirms to what extent the Muslim-Croatian federation is an artificial creation. Just as Croat soldiers succeeded in destroying the Old Bridge then, today, those same people have forced the EU administrator, Hans Koschnick, to resign. With this act his plan on unified Mostar has probably failed. Now, analysts need to establish how the Croats, by replacing their tutor, have managed to accomplish what was defined by European representatives as impossible in the case of Sarajevo.

Looking for a connection between the fates of the two cities, it is obvious that the Muslims in Sarajevo are probably being compensated for something that will not be allowed to happen in Mostar. In this fact lies the confirmation of a different approach to the signatories to the peace in Bosnia. Except for the unproductive political efforts made by Pale regarding the Serbs' departure from Sarajevo, the Serb side has fulfilled almost all of its commitments anticipated by the Dayton accord. Since the Serbs, although they once formed a considerable part of the Mostar population, have nothing to do with the disputes regarding the city on the Neretva River, it is clear how difficult it is for the world mediators to give up their political bias.

The events in Sarajevo and Mostar are becoming all the more important as the time for a final settlement of the fate of the Srem-Baranja region approaches. If anything happened that would cause the United States and the European Union to call into question the commitments taken on in advance and their own indisputable authority in these cases, this could have unforeseeable consequences. Demands that the mediators of the accord in Bosnia should press for some convincing guarantees for the Serbs is important because of the people in Srem-Baranja region as well. The struggle for a new image of the world powers in the Serbs' eyes is being fought precisely over the example of the Serbs' leaving Sarajevo's suburbs. What has happened there so far, however, can only produce a model for the final settlement that no reasonable person would want.

Serbia: Commentary Notes IFOR's 'Blind Eye' in Sarajevo

AU2902212396 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 29 Feb 96 p 2

[Commentary by Predrag Vitas: "IFOR Is Washing Its Hands of Serbs"]

[FBIS Translated Text] It is certain that blame for the exodus of the Serbs from Sarajevo can be put on both the Bosnian federalists and Pale. The former, because they did not move a little finger to instill confidence in the Sarajevo Serbs in their authority, but rather dreamed of an ethnically pure Sarajevo. The latter, because they started as early as December last year to move factories from the Serb municipalities, which people understood to show the inevitability of their departure.

All this together, however, still does not relieve IFOR [Implementation Force] and the European Union of responsibility for not implementing the Dayton and Rome treaties and, consequently, of their share of responsibility for the Serb exodus. If the current situation continues until March, when a few more Serb municipalities, in addition to Vogosca, are supposed to be handed over to the Sarajevo authorities, there will be no Serbs left in that city. And, before the war, there used to be 180,000 of them.

The Dayton accords specify that, given the observance of the rights of all peoples there, the Serbs, Muslims, and Croats are supposed to live together in Sarajevo. The Rome treaty guarantees the Serbs in that city the right to take part in the authorities and the police, and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to have school curriculums in their mother tongue. And what happened instead?

Before the very eyes of IFOR, the federal police enter Vogosca and patrol the place completely alone, which is a clear violation of the Rome treaty. In addition, the federal police erect barricades, that is, checkpoints, on streets in Vogosca, which is another violation of the Rome treaty. Finally, federal police even enter the homes of local Serbs.

As a reaction to all this, IFOR begins to systematically accuse the governments in Sarajevo and Pale, while denying any responsibility or blame of its own, as though it were on a tourist trip there, rather than to decisively influence the implementation of the peace accords. It has to be pointed out that IFOR is very much turning a blind eye to the government in Sarajevo, because if this were not so, everything the Muslims have arbitrarily done in Vogosca would not have happened.

The impression is that IFOR and the European Union have reconciled themselves to an ethnically pure, divided Mostar, so they are applying the same formula now in Sarajevo. This time, since they have forgotten about the 28,000 Serbs who used to live in Mostar before the war, in Sarajevo, they seem as though they were trying to forget about 180,000 members of the Serb people.

Serbia: SPS Official Views Goals of Third Congress

AU2902173896 Belgrade BORBA in Serbo-Croatian 28 Feb 96 p 9

[Interview with SPS Deputy Chairman Goran Percevic by Aleksandra Mikata; place and date not given: "The Party Oriented Toward the Future"]

[FBIS Translated Text] On the eve of the regular Third Congress of the SPS [Socialist Party of Serbia], at which delegations from 60 countries will be present as well as 200 accredited correspondents and several thousand guests, we are talking with SPS Deputy Chairman Goran Percevic.

Percevic, the best student of his generation at the Faculty of Law in Belgrade, is a paragon of politicians of the younger generation who, without a blot on his career and simultaneously with intensive political activities (not only on the eve of elections or the Congress) and direct contacts with citizens and journalists, is working on his master's thesis.

[Mikata] By the time of the Third Congress, the SPS will have counted more than 500,000 members. How beneficial is mass membership for any party? Many analyses suggest that mass membership can only be disadvantageous, because a party is no longer cohesive, factions may appear within it, while the people become disinterested in politics.

[Percevic] I think this theory is wrong. The greatest divisions in our political life happened precisely in smaller parties. The smaller they were, the more divided they turned out to be. It is good for any party to have as many members as possible, and any large and influential party makes efforts to have as many members as possible. The size of its membership is a sign of a party's strength and the success of its policy. A great number of accusations have been addressed to our party, alleging that people are applying for SPS membership because of pressure that is reportedly being put on them, while young people are doing so because of concerts. Those accusations are an expression of political envy and weakness, and they have nothing to do with reality.

[Mikata] Are they applying for membership out of their personal interests?

[Percevic] I am not excluding such a possibility, but those are individual cases.

[Mikata] Why are people joining the SPS?

[Percevic] The popularity of SPS membership is chiefly the result of the fact that the Yugoslav crisis has been resolved and that the main political result of the SPS is the Dayton accord. A peace has been concluded, Yugoslavia has been preserved, as well as its people, economic resources, and interethnic tolerance. The second reason is that, after the end of the crisis, we are entering a difficult period of new challenges regarding economic development, cultural prosperity, and international assertion. We have started a major debate on how to answer all the challenges awaiting us in the future. Many people want to take part in the debate, and therefore they are joining the SPS.

The Congress — Strengthening the Party

[Mikata] Does that mean that your new members will not have to wait for years in order to be able to participate actively in politics?

[Percevic] They will not have to wait long. By updating the party's basic guidelines and adjusting to work in new conditions, we are updating the party as well. Modernization of the party means primarily the establishment of an organizational structure that would make possible for us to use the political energy of our members in our party work in the best possible way.

[Mikata] In the public, one is constantly talking about changes that are supposed to come about after the Third Congress. However, you have not changed a single word in the basic elements of the party platform. What are those significant changes going to be all about?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Perkovic] The basic elements of the platform will not be changed, because they have passed the test of time. But, at the congress, the document entitled "Serbia in the Year 2000 — a Step in the New Century" will be passed, which will define the development goals of Serbia until the year 2000. Of course, the congress is an opportunity for refreshing the cadre and strengthening the party. After all, that is one of the reasons why congresses are held. To retain the best people and give a chance to some new ones is, in my opinion, the best recipe for the refreshment of cadre.

[Mikata] Since the document contains solutions that are of essential importance to our people, will it be discarded in municipalities in which the SPS happens to lose in the next elections?

[Perkovic] Each municipality has its own program of development. In places where the opposition happens to win, it has a democratic right to start up its own program there, within the jurisdictions of the relevant municipality. Still, we all know how efficient the opposition was in places where it won. So many cases of unlawfulness and misuse in such small areas as the municipalities where the opposition was in power can hardly be found elsewhere in the world.

Program of the Modern Left

[Mikata] What is the difference between your platform and the platforms offered by the opposition?

[Perkovic] First of all, our platform is oriented toward the future and development. The difference is that our platform is one of the modern left, while the opposition is coming up with ideas that are outdated, even from the viewpoint of the standards of the modern European moderate right, which discards ideas such as nationalism, monarchy, clericalism, etc.

[Mikata] In the second half of the year, citizens will express their political will in federal elections. Why didn't the elections take place immediately after the signing of the Dayton accords, as was expected?

[Perkovic] The time of extraordinary situations and early elections is hopefully behind us. Parliamentary life should evolve in a normal way, and elections should take place in regular constitutional cycles. Before, we used to have early elections quite frequently, chiefly in order to achieve a democratic settlement of internal tensions that were being caused by the sanctions and attempts at the non-parliamentary attainment of power. We would win in the elections even if we organized them now, and we shall certainly be victorious later this year.

[Mikata] Are you satisfied with the implementation of the Dayton accords?

[Perkovic] It suits those who are against the stabilization of peace to initiate various provocation so as to hamper the implementation of the peace accord. We shall persist in our efforts to implement the accord. We shall remain a constructive and peacemaking party.

[Mikata] How do you comment on the arrest of the Serb officers?

[Perkovic] It was a completely unprincipled act that is opposite to elementary rules of legal behavior. To arrest somebody without a warrant and subsequently seek reasons for the arrest is untenable from the moral and legal point of view. This was not a step supporting peace, and I condemn it.

The Question of Kosovo

[Mikata] At the beginning of the conversation, you said the FRY has been preserved. Many people disagree, particularly after the visit of Warren Christopher and his demand that a U.S. bureau be opened in Pristina.

[Perkovic] When talking about the Kosovo issue, I think that two basic principles have been observed. The first is people's regard for the state in which they live, and the second is the policy of ethnic equality. I think that the creation of ethnic ghettos for minorities in Serbia is out of the question, because that is not our future. One should develop a civil state, cooperation, and links with other Balkan states, as well as relativize the question of borders and get involved in broader European integration processes. Therefore I hope that, in time, the ethnic Albanians will come to see that the policy of the separatist leaders in Kosovo is detrimental for them, and that they will eventually get involved in the social and political life of Serbia.

[Mikata] Are there any ethnic Albanians who are already getting involved in Serbian political life?

[Perkovic] Yes, there are, although great pressure is being put on the ethnic Albanians who want to join the SPS. It is very important that the world is beginning to realize that the problem is not one of minority rights, but rather of nationalist parties adopting separatist platforms. When speaking of minority rights, they are guaranteed by the Constitution and law, in compliance with the highest world standards. Our laws allow for autonomy, but not for a state within the state. Sometimes foreign politicians visit us, asking that the 1974 Constitution and the then status of majorities be restored, but when we explain them that it was the constitution of a one-party state that functioned in a completely different way, they realize that what they

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

demand is impossible. It is important to say that more and more ethnic Albanians are joining the SPS, and some of them will be present at the Third Congress.

Montenegro

Montenegro: Parliament Head Receives Ukrainian Counterpart

LD2902185996 Belgrade TANJUG in English 1611 GMT 29 Feb 96

[FBIS Transcribed Text] Belgrade, Feb. 29 (TANJUG) - Montenegro Parliament President Svetozar Marovic received Thursday an Ukrainian parliamentary delegation, headed by parliament president Oleksandr Moroz.

Marovic informed Moroz about the efforts invested by Montenegro and Yugoslavia for the country's development and society's prosperity, the office of the Montenegro parliamentary official said.

Marovic said Montenegro and Yugoslavia were committed to open borders and good relations with other countries and peoples and gave precedence to the strengthening of economic cooperation with the rest of the world.

Moroz informed Marovic about his country's experiences in the development of the parliamentary system and democracy.

He also informed Marovic about Ukraine's relations with foreign countries and possibilities for its cooperation with Yugoslavia and Montenegro.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.